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ABSTRACT

The Senate Select Committee met in Macon, Georgia, to hear testimony of 15 individuals concerning various aspects of the problems facing children and families in the rural South. Dale Lick of Georgia Southern College pointed out that the rural South falls behind the rest of the country in health care, education, and overall quality of life. Donald Anderson of the National Association for the Southern Poor emphasized self-help efforts of the poor in overcoming poverty and cited his organization's successes in Surry County, Virginia. Ted Holloway, M.D., outlined problems relating to maternal and infant health care in Southeast Georgia, noting high infant mortality rates for Blacks and Whites and high incidence of teenage pregnancy. Polly Porter discussed the complex effects of the farm crisis on her family. Mark Akers of the Indiana Department of Commerce described a program to help communities attract industrial investments that will provide jobs for community residents. Other topics include the nature of farm families, images of the South, rural to urban migration, child abuse and domestic violence, and the role of the church in providing services for the poor. This report provides a transcript of the hearing proceedings and the witnesses' prepared statements. (JHZ)

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CHILDREN AND FAMILIES IN THE SOUTH: TRENDS IN HEALTH CARE, FAMILY SERVICES, AND THE RURAL ECONOMY

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HEARING

BEFORE THE

SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

HEARING HELD IN MACON, GA, APRIL 21, 1986

Printed for the use of the
Select Committee on Children, Youth, and Families

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CHILDREN AND FAMILIES IN THE SOUTH: TRENDS IN HEALTH CARE, FAMILY SERVICES, AND THE RURAL ECONOMY

MONDAY, APRIL 21, 1986

House of Representatives,
Select Committee on
Children, Youth, and Families,
Macon, GA.

The committee met, pursuant to notice, at 10:30 a.m., in the Mercer University School of Medicine, Macon, GA, Hon. George Miller (chairman of the committee) presiding.

Members present: Representatives Miller, Levin, Rowland of Georgia, and Coats.

Staff present: Karabelle Pizzigati, professional staff; Victoria J. B. Doyle, intern; and Carol Statuto, minority deputy staff director.

Chairman MILLER. The Select Committee on Children, Youth, and Families will come to order. I am delighted to be able to bring the Select Committee on Children, Youth, and Families to Macon. We want to thank Mercer Medical School for hosting this hearing and for all the help that they have provided us, and especially to Dean Skeleton for making these resources available to the committee, and to Congressman Rowland, of Georgia for inviting us to come to Macon. In the few short hours that we have been here, it is clear we will have a very worthwhile day for all of the members of the committee that are here, and also for those who are not, in terms of the information and resources that we will be able to develop.

As we like to say, the Select Committee on Children, Youth, and Families has only one item on its agenda, and that is the families of this Nation. They are first on our agenda every day, and the most important. During the 3 years that this committee has been in existence we have tried to recognize the changes that have taken place in the American society and the American economy and obviously within the American family and tried not to necessarily pass judgment on those changes, but to try to understand them and to see how those changes affect us in making national policy with respect to children and families and to help us make better choices, to better understand and appreciate what is taking place at the local level.

Throughout the 3 years of this committee, we have tried to travel to various regions of the country, to focus in on special problems of that region and the families that live there. I think we have all come to appreciate what those communities that have special concerns for their children and families can do to solve the problems that confront those families, and I think it has given us a new appreciation of how we ought to adapt Federal policy with respect to problem solving.

We are also delighted to have two other members of the select committee with us. Congressman Dan Coats from Fort Wayne, IN, who is the ranking minority member on the select committee and has provided his valuable service to us and Congressman Sander Levin, who is from Detroit, MI, who has come down here to be with us. This kind of representation enables committee members to get a national overview of some of the problems we sometimes think are only relevant to our congressional districts, State, or region. We often find, in fact, that while problems may manifest themselves in different ways and the family strengths may manifest themselves in different ways, there are many similarities among all our communities.

[Opening statement of Chairman George Miller with attachments follow:]

OPENING STATEMENT OF HON. GEORGE MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA AND CHAIRMAN, SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

I'm delighted to be able to bring the House Select Committee on Children, Youth, and Families to Macon today.

Congress established this Committee to play a special role—to be its eyes and ears with regard to trends and conditions among America's families and the children who live in them.

In doing so, a bipartisan majority in Congress has recognized that children and families need a Committee that puts them first, like the Banking Committee puts banks first and the Judiciary Committee puts the courts first.

The reasons for a special forum are obvious.

Changes in family composition, in the workplace, in the economy, and in budget priorities have put new pressures on parents and children, and the traditional institutions which serve them. They are affecting families of all income levels and in all communities.

As the pressures have grown, we've seen a number of alarming trends, including increases in family violence, in children in poverty, in teen suicide, in post-neonatal mortality rates.

These are basic indicators of the well-being of children, and they are extremely disturbing.

We know we can make better choices, that we can leave a legacy of hope, that our children deserve better than this.

To begin, we need information.

We need to learn about families living in mid-size cities and in the surrounding rural areas, as well as in urban and suburban communities. That is why we are especially pleased to be in the Macon area today.

We need, as well, to study local economies, and programs that serve children and families in trouble. We need to look at local systems of service delivery in areas like health care, which is so basic to family well-being.

These are the principal areas we will touch on today.

We are extremely fortunate to be joined by our collegue on the Committee, Dr. Rowland. His leadership, including his role as Chairman of the Congressional Sunbelt Council Task Force on Infant Mortality, is an indication of his commitment and contribution to the most fundamentally important children's issues.

We have a large number of panelists today because we don't know when we'll be back this way. Without further ado, I'd like to call on my colleagues for their opening remarks.

CHILDREN AND FAMILIES IN GEORGIA—FACT SHEET

GEORGIA, A POPULOUS STATE WITH A HIGH PROPORTION OF CHILDREN AND YOUTH

Georgia was the 11th most populous state in the nation in 1984. The state grew from 4.6 million in 1970 to 5.8 million in July, 1984. (Georgia 2000, 1986)

In 1980, Georgia had a higher percentage of children than the nation as a whole: 23% of the population in Georgia was between the ages of 6 and 18; 9% was between the ages of 0 and 5. (Georgia 2000, 1986)

INDICATORS OF WELL BEING REMAIN LOW FOR GEORGIA'S CHILDREN

In 1980, 341,914, or 21% of children in Georgia lived in poverty; 22% (111,209) of all Georgia children under age six were poor. (Children's Defense Fund, 1985)

Georgia ranks among the five worst states with regard to low birthweight and infant mortality rates. (CDF, 1986)

In 1980, 24% of Georgia's residents had completed 0 to 8 years of elementary education, 20% had completed 1 to 3 years of high school, 28% had graduated from high school, and 15% had graduated from college. (Georgia 2000, 1986)

In Georgia, 22,616 cases of child abuse were reported, a 64% increase between 1980–81 and 1983–84. (Fiscal Year 1984 Child Abuse and Neglect Report. Georgia Department of Human Resources, Division of Family and Children Services, Atlanta, GA, 1985)

MANY GEORGIA FAMILIES STILL IMPOVERISHED

Despite a 57.4% reduction in the poverty rate during the last 20 years, Georgia still has the eighth highest percentage of residents living below the poverty level. (State and Metropolitan Area Data Book, 1982, U.S. Department of Commerce, Bureau of the Census)

In 1979, 16% of Georgians were living in poverty: 10.2% of the white population, 34.1% of the black population. (1980 Census of the Population, U.S. Department of Commerce, Bureau of the Census)

WHILE AGRICULTURE REMAINS LARGEST GEORGIA INDUSTRY, VERY SERIOUS PROBLEMS ON RISE

Agriculture and agribusiness are Georgia's biggest industries, contributing $17 billion each year to the state's economy. (Georgia Department of Labor, 1986)

Georgia farmers are in the worst financial shape in the Southeast. Total outstanding farm debt is approximately $5 billion. (Georgia Department of Agriculture, 1986)

The number of farms in Georgia has dropped from 225,897 in 1945 to 51,000 in 1984 (preliminary). (Bureau of the Census)

In Georgia, 8,635 borrowers owe the Farmers Home Administration $1.2 billion. The majority of these borrowers are delinquent, representing the highest percentage of delinquent borrowers for all states. The delinquent borrowers owe $915.2 million. (Farmers Home Administration, 1986)

In February, 1986, the FmHA sent 3,440 debt notices to delinquent Georgia farmers. Most of those letters contained the phrase "intent to take adverse action" indicating a delinquency of 3 or more years. In comparison, Iowa received 2,040 letters, with 526 targeted at those in severe trouble. (Farmers Home Administration, 1986)

Average prices for apples, corn, cotton, cottonseed, hay, peaches, pecans, sorghum, soybeans, sweetpotatoes, and wheat declined between 1983 and 1984. (Georgia Crop Reporting Service, GA Department of Agriculture, 1985)

Total farm production expenses for Georgia farmers during 1984 were the highest in three years. (GA Crop Reporting Service, 1985)

A MAJORITY OF GEORGIA MOTHERS IN THE WORK FORCE; FEW CHILD CARE PROGRAMS

Fifty-four percent (188,000) of all women with children under six were in the labor force. In addition, 68% of all women in Georgia with children between the ages of 6 and 17 were in the labor force (290,000 women). (Perrault, Joseph. "Child Care in Georgia." Memorandum. Atlanta, GA: Save the Children, Inc., 1983)

Georgia provides no separate state programs for: school-age child care; child care aid for college students; child care aid for parents in training; child care aid for teen parents; and dependent care tax credit or deduction. (CDF, 1985)

Georgia provides no state funds for pre-school, or for child care resource and referral projects, and offers no program of loans or assistance for child care facilities. (CDF, 1985)

Chairman MILLER. I would like at this time to recognize Congressman Rowland for any opening remarks that he may have and again, to thank him and his staff for all of the help that they have been to the committee in setting this hearing up over the last couple of weeks. Mr. Rowland.

Mr. ROWLAND. Thank you very much, Mr. Chairman. I express my appreciation to the Mercer Medical School for making the auditorium available to us here, to all the witnesses who have come, and especially to you, Mr. Chairman and Congressman Coats, for arranging this hearing, and also thank my good friend Sander Levin, who came to the Congress the same time I did, for attending this hearing.

I think you have covered very well the reasons for the hearing. I am especially pleased that you would come to the middle Georgia area so that we can see what is taking place in our area of the country and the problems that we are having. Many of the problems are, as you have indicated, the same all around the country but they may have somewhat of a different perspective. So, it is very pleasing to me that the committee has come and will get some information here, and take it back to the U.S. House of Representatives, so that people there—Members of the House—will have a better idea about what is taking place here in the State of Georgia and in the Southeast. Thank you very much.

Chairman MILLER. Thank you. Congressman Coats.

Mr. COATS. Well, Mr. Chairman, I, on behalf of the minority side of the panel also want to thank Congressman Rowland for making the arrangements and making it possible for us to be in Macon to get a perspective that we cannot get in Washington, DC. What are you doing out here on the frontline and how are you addressing these problems? The reality of the situation is that whether we agree or do not agree, the Federal Government's role in addressing some of the problems that we face is diminished. This is due to financial reasons and the realization that we have not fully carried out our obligations as we would have liked. Perhaps we need to be looking at alternative solutions. I believe this is primarily why we are here, to find out what your problems are and how you are addressing them and what we can do to work together to bring about some meaningful solutions to the problems that you face.

This committee has, I think, taken some very meaningful strides forward in terms of identifying the problems that children and youth and families today have to deal with. We have brought those problems under one umbrella, rather than spreading them over a number of committees. We have been able to take a comprehensive look. Hopefully the recommendations that can come out of our hearings, including hearings like this one today in Macon, will form a basis for correct policy decisions in the future.

I am particularly pleased to have Mark Akers from my home State of Indiana, who has been instrumental in developing programs for small- and medium-sized communities in our State. He has had a significant degree of success in bringing about the kind of community development that is necessary to many of our rural and semirural areas. I look forward to his testimony, as well as that from all the other witnesses. So, I look forward, Mr. Chairman, to what we are about to undertake and I am anxious to hear our witnesses. Thank you.

[Opening statement of Congressman Dan Coats, with attachments follows:]

OPENING STATEMENT OF HON. DAN COATS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA, AND RANKING MINORITY MEMBER

Mr. Chairman: I am very pleased to be here in Macon, Georgia, today. This hearing on Children and Families in the South will give the Children, Youth, and Families Committee an overview of the issues and challenges confronting rural communities. But more importantly, the Committee is here today to gather innovative ideas about what kind of community changes are needed to improve the quality of life of rural families.

I look forward in particular to the testimony from Don Anderson from the National Association for the Southern Poor. The work of this group to empower low income folks through community organizations is inspirational and holds real promise for a transformation of rural communities.

Certainly, not all the problems of rural poverty can be solved by the poor themselves. State governments need to be agressive in economic development efforts. The testimony of Mark Akers from my home state of Indiana demonstrates that with the creative usage of state funds as a supplement to local action, if is possible for many rural communities to recover and indeed to prosper.

There is a role, of course, for the federal government, especially in terms of health care, prevention, and early intervention services. Chairman Miller and I are co-sponsors of a recent initiative which is a result of a recommendation by the Southern Governors' Association and Southern Legislative Conference which provides comprehensive health services to low income pregnant women to reduce infant mortality rates. I believe that WIC and Medicaid services are federal initiatives that can be of great assistance to rural communities. In addition, I believe Head Start services and Child Abuse Prevention services necessarily involve some federal money and I wholeheartedly support these programs.

However, one thing is certain: federal money is tight even for critical health care services. Given this reality, it seems to me that the most compassionate and pragmatic approach we could take today is to focus on ways to develop local resources with which to face the problems confronting rural families today.

It is may hope that many of you here today will continue to meet, form partnerships, and work together to meet the challenges that will be raised before this Committee today.

I request that the hearing record be kept open for two weeks so that additional written testimony may be included in the record. Thank you.

Chairman MILLER. Thank you. Congressman Levin.

Mr. LEVIN. I would simply, Mr. Chairman, like to add my thanks to Congressman Rowland, who has certainly been more than true to his position as a family physician. He is the only physician in the Congress and he has taken his unique knowledge and pumped it into the veins and arteries of congressional consideration of these issues.

Under the leadership of the chairman and the dedication of the ranking minority members, this select committee has been going from place to place finding that there indeed are new crises facing children and families in America, and I think it is more than fitting that we spend some time somewhat far away from Washington looking at the problems here and in smalltown rural Georgia, and I am privileged to be a member of this committee and to join with my colleagues today.

Chairman MILLER. Thank you. The members of our first panel with be Dr. Dale Lick, who is the president of Georgia Southern College; Donald Anderson, who is the executive director, National Association for the Southern Poor; Dr. J. Ted Holloway, who is the district health director for the Southeast Public Health Unit;

Schley Gatewood, who is a doctor, an obstretrician/gynecologist from Americus, GA; and Julia Moseley, who is the director of the Wilson Clinic from Cumming, GA.

If you would come forward, please, and we will recognize you in the order in which I read your name. This is a very relaxed committee, so nobody has to be nervous about testifying before us. The only rule we have is, we would like to the extent possible that you would summarize your written statements, so that you would allow time for the Members of Congress to ask you questions, because you will find out that where most of the time of this committee will be spent is asking questions. So, we would appreciate it to the extent that you can, that you would leave time for that to take place. Your written statement and the supporting documentation, which a number of you have provided, which is going to be extremely helpful in terms of some of the graphs and studies, will be made a part of this record in their entirety.

And also let me say to those who will not have an opportunity to testify, if you hear something today or think there is something that the select committee should be made aware of, the record of this hearing will remain open for 15 days so that those submittals can be made to the committee in writing, and beyond that time we are always looking for information. That is the strength of this committee and we would invite your comments and with that, Dr. Lick, we will start with you.

STATEMENTS OF DALE LICK, PH.D., PRESIDENT, GEORGIA SOUTHERN COLLEGE, STATESBORO, GA

Dr. Lick. Thank you, Mr. Chairman. It is a pleasure to have a chance to share my perspective on children and families in the South with your committee this morning. My concerns are rather significant, particularly as they relate to children, youth, and families in rural America, and since there will not be time to go into detail, I have shared with you written comments in little more detail. But I would like to just touch upon an overview of rural America, particularly rural South, and in my remarks I would like to touch upon four aspects which are rather key. Although they are not the only major aspects that we need to talk about, they are key aspects and those deal with the quality of life in rural America, rural health, rural education, and those critical early years, those early childhood years in the situation within rural South and rural America in general.

If one were to examine, for example, the quality-of-life studies, you would find something that is surprisingly consistent in all of them. What you would find is that the quality of life for rural Americans is substantially lower than that for their urban counterparts, and the distressing part of that is that the gap is getting wider rather than narrower. An example of that is a study that I relate to in my materials called "Quality of Life in Georgia—The 1980 Experience," and that details in Georgia, in particular, the problem of quality of life lessening in rural Georgia and the gap getting wider between urban and rural Georgia, and I will share one comment from that. The most rural communities with a declining agricultural economy and with fewer nonagricultural job opportunities have not shared in recent improvements in social well-being. Indeed, many have regressed and they go on to say that in the report—from that report that much can be done and I quote,

> A comprehensive housing and human resources program directed toward social needs of the poor, rural communities and smaller urban communities including, but not limited to, job training, child day care, car and van pooling and improved health services.

The fact is, that because of the nature of rural America, delivering services of any kind, whether it is education, health, economic development or whatever, is more difficult. It is more difficult and what happens is, we have tended to not really fully give the overt attention and the full commitment to these areas. Somehow or another, the problems are more difficult, so we do less and unfortunately it shows. The quality of life in rural America has declined and the gap between our rural and urban populations has widened, and unless we pay more attention to what is happening in rural America, this is going to continue and obviously have its most profound impact on our children, our youth and our families, as well as the economic well-being. In my written remarks, I make recommendation relating to the quality-of-life situation in rural America, rural South in particular and especially rural Georgia.

I also in my remarks want to talk about rural health because it is rather devastating. We tend to think that everything is rosy with our land and our fresh air and our unhurried lifestyle, but in fact, that is not really the true situation. Statistically, rural America more nearly fits the description of what has been called a health disaster area and I talk about that. In my written remarks, I talk about some of the research going on and what we can do, and in fact, through creative new approaches much can be done to lessen the severity of the rural health problems that we have and I talk about some recommendations on addressing some of those.

A third area that I am very concerned about is that dealing with rural education and because of the similar problems that I have already mentioned, the problems that relate to a more dispersed population and so forth, we have serious problems in rural education in America, particularly in the rural South and especially in middle Georgia. Two-thirds of our schools fit rural education's small school environment, a third of our students in America fit that pattern and there is a serious problem. For example, the South's education data compare unfavorably to parallel national averages registering low average SAT scores, high dropout rates, low funding levels, high adult illiteracy, high rates of educationally mentally retarded children, and low portion of students going on to some form of higher education. Education is extremely critical in the South and the rural South especially if it is going to have a chance at equal opportunities or even partial equal opportunities in America, and I talked about some recommendations relating to that.

The last area that I want to touch upon in terms of specifics is that dealing with early childhood. And when you think about some of the problems of rural America, rural South, what you find are stress-producing factors. Such things as poverty, malnutrition, reduced education and recreation, limited occupational opportunities and poor health are only a few indicators of the limited quality of life experienced by a sizable part of our rural South heritage. And what I describe as a "silent terror" evolves in a rural area with limited resources with a limited attention, where we do not fully develop the minds and the potential of our young people. I am particularly concerned about 0 to 3 or 0 to 6. I suggest to you that that is an area that we have badly ignored and that may be the most important developmental area in the whole life of an individual.

A recent study—a recent program by Burton White, an authority on 0 to 3-year-olds done in Missouri, has shown surprising results dealing with 0 to 3-year-olds. The study is experimental but the results are fantastic. It is a Missouri study where we use first-time parents as teachers to learn how to deal with that level. What we find is that kids like those coming out of rural south Georgia are at risk moreso than kids coming out of typical more metropolitan areas and as a result, we find that they perform on all measures of intelligent achievement language development below that of kids who are not at those same risks. It is a very critical situation and I addressed some recommendations on what to do there.

In conclusion, what I have done is, I have suggested some major areas of concern and overall what we find in terms of rural America, particularly rural South versus urban America. Overall we find the quality of life in the rural South is on the average below that of urban America and many other parts of the country. That health care in the rural South is not adequate and falls well below national standards, that education in the rural South is below national standards and severely limits the potential of a large segment of our population and that the negative impact of the above factors in addition to the existing circumstances that we find in the rural South, provide for less than ideal or even average educational childhood development opportunity for many of the children.

The bottom line of all this is that the children and youth of rural Georgia and the rural South are being hurt unexpectedly and inappropriately in comparison to similar circumstances elsewhere in the country, and that the economy of the South suffers directly as a result of these more limited human resources. I suggest that your committee, the Select Committee on Children, Youth, and Families, has the potential to begin to correct some of these concerns and to move the rural South toward a more equitable circumstance in relation to other parts of the Nation. I encourage you to immerse your committee in depth into some of these glaring concerns of the rural South, formulate innovative new approaches to move things forward and then take bold steps to implement meaningful, corrective action. I appreciate this opportunity. Thank you very much.

Chairman MILLER. Thank you.

[Prepared statement of Dale W. Lick follows:]

PREPARED STATEMENT OF DALE W. LICK, PRESIDENT, GEORGIA SOUTHERN COLLEGE, MACON, GA

It is a pleasure to have this opportunity to share my perspective on Children and Families in the South with the House Select Committee on Children, Youth and Families. The concerns I shall raise are significant, particularly to our children, youth and families in rural America.

In my brief remarks this morning, I can only touch on several key areas of concern. I would be happy to provide the Committee more detailed information as a follow-up to any topics discussed today.

My testimony this morning will concentrate on the quality of life in rural America, rural health, rural education and the critical early years of life for those in the South and rural America.

QUALITY OF LIFE IN RURAL AMERICA

One way to discern the general sense of a population or region is to evaluate its social well-being or quality of life. Although no single definition exists to describe the "quality of life" of a population, it is possible to make general comments about social well-being and what it means.

David M. Smith[1], for instance, outlines his concept of a "well society":

> It should be expected that in a well society people will have incomes adequate for their basic needs of food, clothing, shelter, and a 'reasonable' standard of living. In a well society, people do not live in poverty. Good quality education and health services are available to all, and their use is reflected to a high level of physical and mental health. People live in decent houses and neighborhoods, and enjoy a good quality of physical environment. They have access to recreational facilities, including culture and the arts, and adequate leisure time in which to enjoy those things. In a healthy society a low degree of disorganization is shown with few social pathologies, little deviant behavior, low crime incidence and high public order and safety. The family is a stable institution, with few broken homes.

What stands out in quality-of-life (QOL) studies of rural America is their surprising consistency. The typical finding is that quality of life for rural Americans is substantially lower than that of their urban counterparts, and the gap between them is growing.

An excellent example of such a study in the South is "Quality of Life in Georgia: The 1980 Experience," by Bederman and Hartshorn.[2] Their study comparing quality of life in Georgia for 1970 and 1980 considered eight variables, all with special relevance to children, youth and the families: infant mortality, housing lacking plumbing, housing unit occupancy, median school years completed, median family income, family poverty levels, female heads of the household, and number of children under 5 per 1,000 women.

Among the key findings of this study are the following:

** ". . . a serious problem -- the gap between the state's wealthy counties and those that are poverty-ridden is becoming wider rather than narrower."

** "The most rural counties (especially those that are predominately black) with a declining agricultural economy and with few or no nonagricultural job opportunities have not shared in recent improvements in social well-being. Indeed, many have regressed."

** ". . . patterns and processes related to social well-being continue to point to the deprivation present in rural South Georgia . . ."

** "While there is no question that low QOL levels exist throughout Georgia, considerable uncertainty prevails on how or when improvements will occur. It is obvious, however, that conditions in the most impacted areas will not change significantly in the near future if present trends continue."

** "These areas of Georgia experience the most deprivation yet their needs receive little public attention and even fewer commitments from social service agencies."

** "In addition to being economically impacted, they have not shared in the state's improved health, housing, or educational opportunities in recent decades."

** "Only when the needs of the rural and inner city poor are properly served will Georgia's statewide QOL levels rise significantly."

The report goes on to say, however, that much can be done through "a comprehensive housing and human resources program directed toward the social needs of the poorer rural counties and smaller urban communities, including, but not limited to, job training, child day care, car and van pooling, and improved health service delivery."

Because delivering services of all kinds--educational, health, economic, developmental, etc.--is more difficult in rural America (among other reasons), we have tended to give these rural needs and concerns little overt attention and, as a result, less commitment. It shows! The quality of life in rural America has declined, and the gap between our rural and urban populations has widened. Before this trend goes much further, new priorities must be set, particularly as they relate to children, youth and families.

Recommendations

1. Establish a national "rural policy" reflecting the concerns for and importance of rural America, and raising the consciousness level for and priority of these areas.

2. Develop a national "data base" for the various quality-of-life aspects of our society, both urban and rural.

3. Support and enhance research efforts relating to the concerns and potentiality of rural America.

4. Acknowledge the leadership void in our government and in America for the rural sector, and develop mechanisms at the national, state and local levels to correct this deficiency.

5. Create a national central office in an existing government agency or department to collect and disseminate promising practices, statistical data, and other information relating to rural America, as well as share services and resources among agencies and organizations.

6. Encourage and enlist professional leadership and technical assistance from higher education, business, industry, and other sectors in dealing

creatively with rural initiatives in a more holistic fashion; and provide the philosophical, moral and financial support required to reach agreed-upon, desired outcomes.

RURAL HEALTH

Contrary to popular opinion, rural America, land of fresh air and unharried lifestyle, is not necessarily a picture of health, nor is "country living" a panacea for longer life. Recent evidence suggests that equating ruralness with good health is a myth. Statistically, rural America more nearly fits the description of what has been called a "health disaster area."[3]

Much has been done since the early 1900's to improve America's general health. The investment of federal and state dollars has paid off. According to the nation's average health indicators, the overall result has been successful. However, the rate of urban improvement has far outstripped that of rural America. The gap between the health of the rural and urban populations has actually widened.

Rural Americans are not only at risk in nearly every major disease category, but also underserved by practically every type of health professional. This double jeopardy is not suffered by urban America, for whom the case is quite the opposite. Urban populations enjoy both a higher level of health and a more favorable ratio of professionals providing care.

Recent studies present evidence that rural residents are afflicted with higher death rates than their urban counterparts. For example, a 1979 study[4] showed the crude death rate in rural Georgia to be 29 percent higher than in urban Georgia, an unexpectedly large difference.

By specific cause of death, the rural rate in Georgia for stroke was 56 percent higher than the urban rate, for heart disease 39 percent higher, for urinary-related diseases 53 percent, for motor vehicle accidents 83 percent higher, and for respiratory-related diseases 26 percent higher. Most of these differences persisted when age-rate adjustments were made.

Nationally, there has been a recognition that rural populations are vulnerable to a high incidence of modern chronic diseases, because they are poorer, less educated, and older. Recent studies[5-7] also have reported higher infant and maternal mortality rates in rural areas.

Rural Americans also suffer from a greater burden of morbidity than the urban population. Chronic conditions are much more prevalent among rural residents.[8] Cerebrovascular disease, emphysema, pleurisy, arthritis, rheumatism, and hypertensive heart disease all afflict rural residents to a greater extent than urban residents.

In rural America there is a critical shortage of health care professionals. Although their numbers may have grown slightly in recent years, there are simply not enough available physicians, nurses, and other health professionals. Shortages of health professionals and services, coupled with the rural population's low health status, create a distressing paradox.

One recent study[9] revealed that the ratio of physicians-to-population in urban areas is more than double that in rural areas. In a disturbing trend, the gap between the number of physicians per capita in rural and urban areas actually widened during the 1970's.

Geographic maldistribution is a phenomenon not limited to physicians. There are approximately 60 percent more dentists and registered nurses in urban than rural areas and 250 percent more podiatrists. Far fewer allied health professionals are available in rural areas. The same grim report applies to speech-language pathologists, respiratory therapists, physical therapists, dental hygienists, occupational therapists, and many others.[10]

The outlook for the proper growth and development of rural America depends on a number of factors, but perhaps the most important is the "human" or "people" resource. Without healthy familes and a healthy population of children and youth capable of providing necessary brain power and muscle power, the potential of these individuals and rural America as a whole will be diminished significantly. A healthy, vibrant population is vital if rural America is ever to reach its economic and production potential.

Recommendations

1. Continue federal rural health care delivery programs, at least in the short run.
2. Continue and expand financial support for rural-targeted health professional education programs.
3. Expand support for research relating to the special problems of the rural setting, particularly those relating to children, youth and families.
4. Establish a focus for rural health within the federal government.
5. Continue and expand the emphasis on primary care.

RURAL EDUCATION

For the purposes of this testimony, rural education refers to programs concerned with meeting the educational needs of populations living outside urbanized areas, in open country, in small communities, or in areas of extended cities with a low population density. Two-thirds of our nation's schools meet that definition, and one-third of our children attend such schools.

More and more people are beginning to realize that the rural way of life in America is worth preserving. Rural America enjoys a richer and more deeply-rooted cultural heritage and stability than later-model, more transient urban centers. Rural Americans are characteristically sensitive, responsible and caring; they are among the finest people anywhere. In the opinion of former U.S. Secretary of Education, Terrell Bell, "Rural America represents much of what is good and enduring in our society and contains many of those traditional American values that will keep our society strong in future years."

On the other hand, just as there are certain distinct advantages for rural schools, there are also some well-known and serious disadvantages.

Among the problems of rural schools are: longer distances to be traversed and concomitant transportation costs and complexities; greater isolation and fewer cultural resources, such as museums, community libraries, theatres and concerts; insufficient "big-ticket" assets, such as laboratories, libraries and specialized equipment; greater staffing difficulties, with teachers often covering different subjects, some outside of their primary field; increased poverty levels and more handicapped children than in urban schools; higher costs per student since "economies of scale" cannot be utilized; and a general lack of adequate financial resources.

In addition, rural America is very heterogeneous. Rural people, rural communities, and rural conditions are enormously diverse, with a resultant increase in complexity in public policies, leading to a complexity in programs which affect rural circumstances.

One of the greatest negative impacts on the rural scene is imposed by a form of general policy making, which might be called the "urbanization of rural systems." For example, in education, urban approaches are too often forced on curriculum, on teacher education, or on structure, giving rise to policies and methods which are not directed at creating better rural schools and systems, but instead aimed at creating wholesale urbanization of most aspects of rural society. As a result, approaches to problems in rural areas are frequently urban approaches, and too often fail or fall short in their effectiveness.

This is symptomatic of the nation's lack of "rural" awareness and has led to assignment of inadequate attention and resources to rural education. Previously existing strategies have too often served, consciously or inadvertently, to ensure that existing deficiencies in rural education continue unabated.

In a major policy statement from the U.S. Department of Education in 1984, Secretary Bell observed that, "In recent decades, the changing dynamics of our urban centers have forced public policy decisions which tend to emphasize solutions to urban concerns."

He went on to say that, "while the Department of Education remains committed to programs that help urban youth and adults, it is appropriate that we strengthen our efforts to provide programs that address the educational needs of rural and small town youth and adults."

The U.S. Department of Education responded by approving a new policy relating to rural education entitled, "Rural Education and Rural Family Education Policy for the '80's." This policy could represent a substantial and progressive new thrust for rural education:

> "Rural Education shall receive an equitable share of the information, services, assistance and funds available from and through the Department of Education and its programs."

Since the announcement of this policy, some new initiatives have begun within the U.S. Department of Education and across America toward the enhancement of rural education. However, these are only the proverbial drop-in-the-bucket compared to what really needs to be done to respond properly to the education needs our children, youth and families in the rural South.

The South's education problems persist. The South's education data compares unfavorably to parallel national averages, registering low average SAT scores, high drop-out rates, low funding levels, high adult illiteracy, high rate of educable mentally retarded students, low fourth and eighth grade test scores, and the low proportion of students going on to some form of post-secondary education.

Further, the difference becomes more extreme when data for the rural South is examined. Our children, youth and families of the rural South are not being served appropriately, much less equitably, compared to other parts of the country. The negative results of the existing system greatly depreciate the lives of a high percentage of the children of the rural South and significantly diminish the overall development and economy of the rural South.

These problem areas can and must be changed--but it will take a new, higher level of priority and concern to do so.

Recommendations

1. Re-emphasize the significance of rural education in America and the rural-oriented education policy, "Rural Education and Rural Family Education Policy for the '80's," and insist that this policy be fully recognized and implemented in our governmental agencies and across America.

2. Develop a national "data base" for rural education and give renewed emphasis to research relating to the concerns and potentialities of rural education.

3. Create professional training programs directly related to the needs of rural education.

4. Base goals for strengthening rural education on needs and outcomes appropriate to rural areas, as opposed to adopting urban goals from related urban problems.

5. Encourage and enlist the professional leadership and technical assistance of greater numbers of institutions of higher education and other appropriate agencies in dealing creatively with rural education concerns.

EARLY CHILDHOOD

The stress-producing factors of poverty, malnutrition, reduced education and recreation, limited occupational opportunities and poor health are only a few indicators of the limited quality of life experienced by a sizeable portion of those living in the rural South. The "silent terror" which evolves from early years of inadequate child development is more subtle.

The circumstances into which children are born can determine their human development potential and lifestyles for the remainder of their years. According to the renowned early childhood expert Burton White,[11] Director of the Center for Parent Education, Boston, "the consequences of experiences of the first three years of life contribute to lifelong development."

Besides the substandard general health and economic and educational limitations of the rural South's adult population, its children are more likely to be:

1. Born to teenage, unwed mothers (e.g., Georgia is third in the nation in percentage of births to teens and rural southeast Georgia is the highest in the state).

2. Premature.

3. Victims of infant mortality (1986 projection: 25% for blacks, almost twice that of whites).

4. Born to school drop-outs if the mother is a teenager.

5. Born into a home where the parents work outside the home (e.g., Georgia leads the nation in the percentage of females working and the percentage of working mothers who have preschool children).

6. Cared for in a day care center or some other form of non-parent care environment.

7. Born into a home which lacks knowledge about positive parenting skills.

Each of the above illustrates the potential added stress that today's child must face. Despite circumstances working against the optimum development of the child, professionals still believe that positive development is possible. According to White,[11] "progress toward better practices is directly linked to public awareness." After thirty years of intensive observation of families, the development of many parent education programs and extensive research, White[11] has found families inadequately educated to rear their child(ren) past six to eight months. He believes no more than ten percent of parents manage to get their children to the three-year mark as well educated or developed as they could or should be. "Yet studies show that the period that starts at eight months and ends at three years is a period of primary importance in the development of a human being," says White.[11]

The child is marked for the "silent terror" when we neglect this period of development for a positive foundation. Many professionals note the following significant, long-term effects:

1. The cognitive ability of a child is directly related to the stimulation in the environment and the freedom to experiment with alternatives. Children who lack adequate stimulation will score lower on a variety of intellectual measures than those who have learned problem solving and information processing. They will also be more passive, less creative and slower to process information if in fact they can manage the amount of information at all.

2. Language ability, including the ability to express and receive language, is retarded. The significance of language in our media-dominated society is unlimited. The gap between the poorly educated and the well educated is emphasized by short words, short sentences, the inability to understand those outside the family, and isolation and/or pressure to choose a job which emphasizes manual rather than verbal skills.

Inadequate language comprehension may also limit one's performance on tests and produce lower I.Q., SAT, and other scores, limiting the person's ability to improve, reinforcing the generational cycle. These patterns can be detected as early as three years of age. If negative, at that stage, immediate intervention can help. Another reason for awareness and measurement of language ability is to determine physiological causes of improper reception of language and other environmental sounds. Early detection may increase the probability of correction.

3. Social development is one of the most critical components of preschool development. The dimensions of personal-social activity are (1) adult interaction, (2) expression of feelings/affect, (3) self-concept, (4) peer interaction, (5) coping and (6) social roles. Even though adults may be aware of the child's behavior, they often lack the knowledge to understand it. A child's social skills expand into adulthood and influence achievement, aggression, friendship ties, family networking, problem solving and job/career selection and performance, just to list a few. A negative peer influence or an inability to relate to adults could shut him out of the job of his choice. The inability to cope could lead to a school dropout.

The above skills are measurable at three years of age and can be redirected if shortcomings are identified then. In agreement with well-known child development specialist Erik Erikson, "it is easier to do it right the first time (during ages 0 to 3) than to attempt to redo it later."

Another area of relevant concern relates to adequate parent knowledge. The inclusion of parent knowledge in studies is based on the belief that knowledge about child development and sound child-rearing practices facilitates the understanding and support of the child's development. According to White[11] anxiety about parenting often stems from the lack of understanding of early development as well as environmental factors. Pressure is felt by many parents as they attempt to be more responsible parents; they just don't know how to carry it out. Emphasis today on intellectual development often overshadows the primary needs of preschoolers to develop socially, emotionally and physically with a balance of cognition. Many parents fail to realize that mature cognitive skills are a product of the positive development of the total person.

Also, family and background characteristics, which have a potential influence on the child's development, include such variables as: parents' ages at child's birth, education, single- or two-parent household, receipt of public assistance, child's health record, child care, race, job situation, and number of children in family. It is generally assumed and often documented that some or all of these influence a child's development. Other factors, such as the "quality of life," may have an even greater influence.

One recent study, "New Parents as Teachers Projects," by White and the Missouri Department of Elementary and Secondary Education,[12] examined the above variables over a four-year period. Parents received a variety of educational experiences prior to and during the project. The findings were overwhelmingly positive.

Children of parents participating in the training project consistently scored significantly higher on all measures of intelligence, achievement, auditory comprehension, verbal ability and language ability than did comparison children. They also showed significantly more aspects of positive social development than did comparison children. They were better prepared to distinguish a "self" identity, to have positive adult relationships, and to have coping capabilities.

In addition, the parents in the training group were significantly more likely to report having had their child's hearing professionally tested by three years of age than were the parents of comparison children.

Project parents were more knowledgeable than comparison group parents about the importance of physical stimuli in their child's development, about discipline, and about knowledge of child development both of three-year-olds and children less than three years of age.

The relationships between the traditional family background characteristics bore little or no relationship to measures of intelligence, achievement, and language development. On the other hand, children who were assessed as "at risk" by the staff (e.g., family stress, delayed gross motor development, and inappropriate behavior) were significantly and consistently related to all tested outcomes; children assessed as "at risk" performed poorer on all measures of intelligence, achievement, and language development than did children who were not observed to be "at risk."

The Missouri project has demonstrated the potential to turn the current trends around through parent education. White says, "To begin to look at a child's educational development when he is two years of age is already much too late." It is time to examine a variety of ways to assure greater potential development for the children of the rural South. The potential "at risk" features for children from the rural South are as great or greater than elsewhere in the country. Early intervention with education and medical care is crucial. Both should begin with the prenatal stage (or earlier) and continue as long as parents have unanswered questions. A variety of approaches could be used to initiate the process of meeting some needs of parents, thereby, reducing the daily stress in their lives.

The following are examples of programs which work when directed by qualified personnel and properly funded.

1. Prenatal classes for all.
2. Child development and parenting classes beginning in the hospital before child and parent(s) leave followed by post delivery home visits.
3. Long term parent education classes for all.
4. Quality child care for all ages. This does not necessarily mean center

care. As White says, "Children should stay at home with one of their parents (or at least a grandparent) for the first two years."

5. Financial counseling which may help parents manage their greatest stress and child care more effectively.

6. Family support groups to fulfill the networking role formerly played by stay-at-home mothers.

7. Resource centers for parents with visual, printed and human resources on parenting.

8. A diagnostic/screening center for small children.

9. Employer support for parental leave for child care and parent education.

10. Employer support for quality child care for the older preschooler.

11. Public financial support for child care.

The issue of the early years influences so many people that the recommendations must branch out to all levels of the family, the work world and government. It is because of the broad impact that we must view the early years as the time to begin quality education and as the responsibility of all. Otherwise, we will perpetuate the silent terror of a "life of less" an undermining so subtle that many adults believe that they are truly helpless.

Recommendations

1. Develop of a new long-term focus on the importance of the early years in a child's development, particularly years 0 to 3.

2. Establish a series of experimental programs around the country, but especially in the rural South, aimed at expanding our base of knowledge in child development, providing effective parenting approaches, and learning more about meaningful and easy to implement intervention strategies.

3. Develop a national center to support and expand research relating to child development, parenting, and maximizing the unique, total-person potential

of each child.

CONCLUSION

In the previous sections, we have sketched some of the major concerns that negatively impact the children, youth and families and the economy of the rural South. Overall, we find that the quality of life in the rural South is, on the average, below that of urban America and many other parts of the country; that health care in the rural South is not adequate and falls well below national standards; that education in the rural South is below national standards and severely limits the potential of a large proportion of our population; and that the negative impact of the above factors, in addition to other existing circumstances, provide for a less than ideal or even average early childhood development opportunity for many of the children.

The rural South is a great place to live and raise a family in many respects. However, the above problems mean that a sizeable segment of the rural South population will never be afforded reasonable opportunities, according to national standards, and they will never come close to reaching their full human potential.

Even with all of its positive characteristics, the rural South has problems of massive proportions and not enough is being done to lessen their severity. The "bottom line" of all this is that the children and youth of the rural South are being hurt unexpectedly and inappropriately in comparison to similar circumstances elsewhere in the country and that the economy of the South suffers directly as a result of these more limited human resources.

The rural South has been allowed to drift and fall further and further behind in several key areas. These stand out as they relate to children, youth and families, as well as the economy.

The Select Committee on Children, Youth and Families has the potential to begin a process to correct some of these concerns and to move the rural South towards a more equitable circumstance in relation to other parts of the nation. I encourage you to immerse your committee in depth into these glaring concerns of the rural South, formulate innovative new approaches to move things forward, and then take bold steps to implement meaningful corrective actions.

Thank you for your interest and attention.

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Chairman MILLER. Mr. Anderson.

STATEMENT OF DONALD ANDERSON, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION FOR THE SOUTHERN POOR, WASHINGTON, DC

Mr. ANDERSON. Thank you, Mr. Chairman and members of the committee.

Chairman MILLER. Please move the microphone closer.

Mr. ANDERSON. I have submitted written testimony, but I would like to just make a few points. As you know from the testimony, I have been in the business of the antipoverty business for a very long time. As a matter of fact, you might say insofar as the Federal effort was concerned I was present at the creation about 20 years ago, and I remember I was—I started off as a staff man and became later the general counsel for the ad hoc subcommittee. I remember when Sargent Shriver came into the room in 1964 and he said, we have the resources to end poverty in a generation, and of course that was just beyond a generation ago, and it is certainly true that we do have resources to do this.

Do you know Denmark and Sweden have no poverty? Belgium has no poverty except for their Turks, which have been given cash payments to leave. Germany has no poverty except for their Turks. Switzerland has almost no poverty. They do not keep statistics on it and I talked to the Swiss Embassy the other day and they said, well, you know, we really have no raw materials, you know. Earlier in our history we hired out our people to people who wanted to carry on wars. They were the mercenaries of Europe and the question is, how have they organized their societies with far less resources than ours, to be almost without the problem which is very heavy on our backs. I think after that 20 years of experience we have some of the answers.

As the New York Times said in their lead editorial in 1984—November of 1984, we do know how to prevent future poverty, and those who have preoccupied themselves with it would agree that the answer to prevent the transmission of poverty to the next generation is simple. It is—call it what you want, Head Start or high-quality day care, it is a high-quality preschool education, and by that I mean there is really not very much mystery about how to prevent future poverty. As I point out in my testimony, we recognized 22 years ago, we felt instinctively that education had something to do with all types of poverty, and that is why the Economic Opportunity Act was an Education Act. There were no grants under the act. It was an act which sought to supplement the educational efforts of our regular educational institutions because we had a problem, much of it having to do with slavery and much of it having to do with the Appalachian poor.

But the question is, What do we do about the present poverty. That is the question which our organization has sought to solve and has been highly successful in solving. And I might introduce that part of my remarks rather abstractly, but I think to communicate the concept is of the utmost importance since we have had success. I say in my testimony that all long-term planning is done in terms of institutions and I should have footnoted that. That came from Karl Popper and it is really fundamental. If you want to do anything in society you have to have some sort of institution. A great deal of our time is spent on creating institutions building or making adjustments to our institutions. The proper study of mankind is not, as Alexander Pope said, of man but of his institutions, to which we tend to respond as puppets on a stage.

In order to get rid of poverty, some type of institution, whether public or private, will have to be divised and that brings me to what it should be? What should the approach be. Our efforts toward poverty, however well-intentioned, have failed at that point, I believe, because we intend to begin each of the efforts with a program. At the same time, we say that the problem of poverty must rest on the self-help efforts of the poor. If you begin with a program, it seems to me that you negate self-help efforts because no community is going to be organized well enough to devise that program, so it must be preconceived, devised by someone outside of the community.

Our approach is to begin with a structure of organization. Our structure of organization is different from the Community Action Program and it is much less expensive because it is formed by the volunteer efforts of the poor themselves. Once they are convinced that nearly unifying their community and providing a channel of communication between the leadership and the masses of the poor is the proper way to proceed, then they come up with a structure of organization and then their own programs and I cite in my testimony, just one example of success of a county using this method, Surry County, VA.

When we went into Surry County, VA 18 years ago, the whites had abandoned the school system. The health system was very much similar to that described by the previous witness. Since 1978, the SRA scores have risen from 12 percentile in Surry County to 50 percentile. Those going on to further education increased from 37 percent to 62 percent. They turned back to the State moneys given for remedial education. There have been six robberies in 10 years and no overnight incarceration of youth in that period. Surry and other counties in Virginia which have the assembly organizations are success stories. They have brought in hundreds of houses. They have brought in medical facilities and medical personnel. One of the problems they have in Surry is convincing people that there still is a problem of poverty. So, that is the message that I would like to give the select committee today.

Chairman MILLER. Thank you.

[Prepared statement of Donald Anderson follows:]

PREPARED STATEMENT OF DONALD ANDERSON, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION FOR THE SOUTHERN POOR

Mr. Chairman. My name is Donald Anderson. I am testifying on behalf of the National Association for the Southern Poor. I am also speaking out of an extended experience with the problem of poverty, from 1951 when I worked on a project with the American Friends Service Committee (the Quakers) in North Richmond, California, to 1966 when I served as General Counsel of the U.S. House of Representative Ad Hoc Subcommittee on the War on Poverty, to an eighteen year experience with the National Association for the Southern Poor.

Poverty in the United States continues to be one of the most important problems of this era. It is costly to our society which, though rich, still has a large proportion of its population which is poor. It costs in terms of resources which must be used to deal with the problem of poverty, and it costs in terms of the waste of human talent which could contribute to every aspect of a great society. Talent and genius do not depend upon wealth. They are, nonetheless, the treasures of the nation.

For social and economic reasons, and for reasons having to do with the history of this country a large black population in 258 counties and many cities in nine southern states exists in a condition of deprivation and poverty that cuts them off from the aspirations and the achievements of their fellow-Americans. Across the state of Virginia, stretching down into North Carolina, thence to South Carolina through six more states to Louisiana is an area called the Black Belt. The residents of that area are predominantly black--counties range from 30 to 82 percent black population. They are desperately poor. Despite their enfranchisement under the Voting Rights Act of 1965 and their access to public facilities as a result of civil rights legislation in the previous year, they could be said to be living in a transitional, post-slavery condition.

The life of the people in the area reflects the very low income. They live in houses insulated by cardboard with tin roofs, in converted stables or chicken coops. Many have no toilets, indoors or out. Often they must transport water from long distances. Many of the babies are born without the assistance of any medical advice.

It cannot be said that these people have been forgotten, for most Americans would not believe that they exist. And their place in society is inherited from slavery. Many of them live on or near the land on which their forebears were slaves. If you will permit a personal reference, I myself live on land which has been in my family for nearly two hundred years. In the back yard are the graves of sixty slaves who were my forebears on the place.

Even in this land of opportunity individual initiative and motivation alone will not change their position. The manufacturer and the cultivator are the creators of wealth, and both require the accumulation of capital. This does not often locate in the rural Black Belt. And therefore, opportunities are rationed.

The problem of the poverty of black people of the South is common; it is indivisible, reflected in patterns which endlessly repeat themselves. The problems confronted by the black residents of Washington, N.C. are the same as those confronted by black residents of Washington, Louisiana. And common problems require community effort. This is true for a county; it is true for a city. It is also true for the residents of the Black Belt. It is for that huge community confronting as it does that colossal problem that the idea which guides our organization was born thirty years ago, and which I shall describe during this proceeding.

The problem of poverty is all the more aggravating because never before have we had such excessive resources to deal with it. The question is, therefore, have we yet discovered the best method of bringing all or most of the poor out of their undeserved misery?

In terms of knowledge, we have made some progress in the right direction. First of all, if we intend to do something lasting about poverty, we know that we have to create some type of institution. Otherwise dealing with the problem will depend upon the ad hoc efforts of temporary groups; upon renewing our efforts every generation or perhaps every few years.

All long-term planning is done in terms of institutions. For most of us an institution is a habit, a practice, a way of doing things which can be transferred to succeeding generations, enabling them to take advantage of the experience of others. In the dispensation of justice, in the delivery of mail, in the education of our children, one has a choice not simply of one set of options, but of a whole range of options, heavily reduced by experience. The purpose of an institution is to hold these possibilities within limits, to profit from the mistakes of others, to eliminate the need for planning on each occasion, and to avoid the undesirable consequences of acts whose implications, without experience or a close examination of history, we cannot foresee.

Our experience also tells us that such an institution must not "help" the poor but must be one which enables the poor to help themselves. "Give a man a fish and you will always have to feed him; teach a man to fish and he will learn to feed himself." Although this principle is universally recognized, it is regularly violated. When working with the poor, the temptation to "help" is too great. But taking note of this fact brings into focus precisely how an institution needs to be shaped to make authentic self-help a possibility. The essential principle may be stated in the question: how should a community organization be structured to determine, beyond question, the priorities of the poor? If a "program" is devised prior to the creation of such an institution, that program will be necessarily conceived of and initiated by someone outside of the community--technicians and their surveys, foundations and their rubrics--for the community would not at that time be organized or developed to give direction to such efforts. And the source or origin of a program is of the utmost importance. If it is external to the community, there is no certainty that the program offered will be in line with that community's priorites, and resources will be wasted. Authentic self-help will not be achieved.

The nature of the participation of the poor in such an institution is also of the utmost importance. Since they must control the initiating of any program, a body in which the poor are in a majority is obviously suggested. One of the weaknesses of the community action programs is that the poor are guaranteed to be in the minority. A corollary weakness is the sense in which the words "representatives of the poor" are used. they are generally used in the taxonomic sense rather than in the political sense: they have the attributes of the poor but are not necessarily chosen by them, or are chosen by only a small percentage of the community. Since they are not accountable to the entire low-income community, the programs they devise will only coincidentally square with that community's priorities.

We have thus suggested the nature of the institution which would be most effective in solving the problems of poverty in this country; one which, by its very structure, is certain to articulate the needs of the community; one which will allow masses of people working as a community to get themselves out of poverty.

But is it a possibility? It may be a simple matter to obtain communal activity on the part of ten or twenty or even a hundred people, but when the numbers get into hundreds or thousands, is it possible to get that many people to engage in a common undertaking? As it happens, this is precisely the principle involved when we are considering whether democracy is a possibility: how can the residents of a whole city, country or state engage in decision-making on matters common to them? And in attempting to solve such a problem, one might reflect upon the advice Jefferson gave to the Virginia legislators 150 years ago: "Among other improvements, I hope they will adopt the subdivision of our counties into Wards. Each Ward could thus be a small Republic within itself, and every man in the state would thus become an acting member of the common government, transacting in person a great portion of its rights and duties, subordinate indeed, but important, and entirely within his competence. The wit of man cannot devise a more solid base for a free, durable, and well administered republic."

These words of Jefferson are a fair description of the method by which we operate. The National Association for the Southern Poor is a tax exempt public charity whose purpose is to create self-help community organizations called Assemblies, which have marshalled millions of dollars of resources on behalf of the poor in over thirty counties and four cities in the South, primarily Virginia and North Carolina. These organizations have built health centers, dental clinics, housing and recreation centers; created job training programs and set up food banks, paved roads; provided assistance to low income farmers, and so forth. These accomplishments have resulted from the volunteer effort of the poor themselves.

A county or city divided into manageable atomic groups, each of which is represented in a central decision-making body, has established a channel of communication between the leadership and the people to be served so that decisions may be made on matters which affect them. By mere arrangement, by a logical structure of organization, the habits and even the whole way of life of a community can be changed.

These are organizations which are capable of dealing with problems as they come up, not simply, as isolated programs, with pieces of the problem--with the building of a home, the creating of a day care center, the training of an employee for a particular job--as if the discovery of some missing link which, when put into place, brings masses of people in such relationship with each other that they produce a communal activity toward a common purpose. It is a method and a structure which may well succeed in ending poverty for thousands and guarantee authentic self-help.

The Assemblies have assisted thousands of people. They have located young talented low-income people who are today professionals, having entered the American mainstream. One young man who we discovered in 1981, was too poor to enter college. We sent him to Virginia's Shenandoah Conservatory of Music. In March he became a Metropolitan Opera finalist for their Mid-Atlantic region. He also won a two-year scholarship to London's prestigious Guidhall School of Music. We have also transformed whole counties, as in the case of Surry County, Virginia.

THE TRANSFORMATION OF SURRY COUNTY, VIRGINIA

Five days before the British tied their ships at Jamestown on May 13, 1607, they had landed in what is now Surry County, Virginia to pay a visit to the chief of the Quioughcohanock Indians. When the limits of Jamestown were established, they included the "Surry Side" as a part of the original colony. Today Surry County's montage of rolling farmlands, blossoming woods, waterfront panoramas and quaint lifestyles represent the undisturbed Virginia of the past. Surry is a wealth of stately homes, the producers of the famous "Smithfield" smoke-cooked hams and homegrown peanuts. And, in the words of the subtitle of a Washington Post November 10, 1980 article, Surry has been transformed.

Eighteen years ago, whites abandoned the public school system after integration. The educational system was allowed to decline. Salaries were low, and the plant was allowed to deteriorate.

When it rained, rain poured into the school buildings. The president of the Parent-Teachers' Association was not permitted to speak at school board meetings. When parents went to the school, they were ordered away by the principal of the school.

There was very little employment in the county for blacks. There were no medical facilities and one doctor for the county. For blacks, there were no recreational facilities. Much of the housing were tinned roof shacks. Blacks could not get loans at the local bank. Though eligible, they were routinely turned away when applying for medicaid or welfare. No food or food-stamps had been issued.

During this period the blacks boycotted the school for eighteen days. There was talk of violence. But the leadership of Surry decided on another course of action. In 1970, they established the Assembly of Surry. That lead to a transformation.

Today's statistics are a far cry from those eighteen years ago. And the mood of the people has been transformed. Eighteen years ago, the people would say "Nothing's ever going to happen in this county." But soon after the Assembly was established, the first food was issued by the Welfare Department, and those eligible for welfare began to receive it. New housing was constructed with the aid of FHA loans, and the Assembly winterized 300 existing homes. The bank was induced to make loans to black residents, and many blacks were hired in local businesses. The President of the Assembly, Mr. Thomas Hardy, raised $500,000 from the Robert Wood Johnson Foundation to bring three doctors and

12 other medical specialists into the county, but since the Johnson Foundation does not give money for a physical facility, he raised another $500,000 for a health clinic. Soon a $450,000 recreational facility was established.

Yet the proudest achievement of the people of S urry is their educational system. The first act of the new county government was to build a $4 million high school, followed shortly by a $3 million elementary school. The new black school superintendent had been interviewed in advance by the Assembly president. The teaching staff was integrated and upgraded. The faculty/student ratio improved from 45/1 to 17/1. SRA scores soared, from 12 percentile to 50 percentile, and those going on to college rose from 37% to 62%. The dropout rate fall from 14% to 3%. Little Debra Hardy, who as a thirteen year old had complained to the Assembly that she could not qualify for a college because there was no math teacher, integrated the prestigious prep school called Chatham Hall and last year graduated from medical school, and her sister is about to complete law school. A supervisor of the school system said, "There is no turn-over among the teaching staff. You couldn't get them to leave. We've seen nothing like this. Walking through this school is like stepping through a fairyland." Most people agree with the sentiments of Mr. Edward Johns of the county government: "We may not be able to find our youth jobs in the county, but this generation is saved. When they leave this county, they'll enter the mainstream."

There is no drug problem in the county. According to the county prosecutor, the first black and first woman Commonwealth Attorney in the state, there have been only 6 robberies in ten years, and no overnight incarceration of a youth during that period.

* * * *

But anti-poverty efforts of this type are necessarily supplementary to what existing institutions should do toward the elimination of poverty. In large part, though not wholly, these efforts are needed because those insitutions are not functioning as they should toward the objective of ending poverty. The effect and cause of much of the poverty in this country is the disparity in education between large segments of the population. For this reason, the emphasis of much of the anti-poverty effort was on education. The legislation that spearheaded the national anti-poverty effort was drafted by the House Committee on Education and Labor. It was called the Equal Opportunity Act, and the titles of that Act were educational, not welfare. It was an important supplementary effort by the Federal Government because the traditional techniques of local school systems did not commonly interrupt the transmission of poverty from one generation to the next.

Nor was it the intention of these efforts to redistribute the old wealth of the nation. The objective was to place all Americans on an equal footing to share in the newly created wealth. Legislation was adopted not simply because the vast disparity of wealth in this country was ungainly, but because the vision of a society in which all citizens contribute to the national product is one to be pursued. It has aspects of greatness.

The disparities between the various school systems of the country lead to and perpetuate the disparities of opportunity for the population as a whole. The type of education that one receives depends upon the wealth of the community in which one lives. Because of racial prejudice or other considerations, governments and school systems are not provoked to engage in programs which will overcome deficient educational backgrounds. As a result, the country as a whole will continue to be burdened with the consequences of a large, uneducated population. Such consequences affect every aspect of our lives. For instance, the impact of educational neglect upon a weakened defense system was exemplified by the Defense Department's vocational aptitude tests of 1982. The inequalities resulting from our educational system were highlighted by the results of these scores. As the Washington Post pointed out in an editorial on February 23, 1982:

> "Disparities on this scale, among large sectors of the population, are unhealthy and a reproach to a country that asserts equality of opportunity...These test results also contain other disparities that illuminate the racial and ethnic ones. When the scores are broken down by region, New England is the leader. At the bottom of the list comes the South--including, incidentally, the Washington region. The results also show a correlation--a dramatically strong correlation--

> between these young people's test scores and the number of years of education that their mothers received. That relationship is an emphatic warning that the educational failures of one generation will continue to exact a toll in the next. In reflection on the racial and ethnic differences in performance on this kind of test, it is important to remember that they are not unrelated to the regional differences. The low score of a young man trying to join the Army today in Michigan may well be connected, in some part, to the quality of education that a girl living in rural Alabama received in the 1940s.
>
> "To say that these effects are deep-seated is hardly to say that they cannot be remedied. Otherwise, since neither Adam nor Eve graduated from high school, the scores would be a great deal lower than they are. But if you are at all interested in the abilities of young people going into the military services in, say, 2020, and whether the present racial disparities will still appear then, you had better pay attention to the schooling of their parents, who are now in the second grade. These test scores sound a note of caution regarding Mr. Reagan's new federalism, with its emphasis on returning social policy to the states, for they draw attention to the strong national interest in ending severe differences in basic social services--education, health, nutrition--from one state to another."

Thus, one might abstractly desire an educated nation; but the achievement of such a hope is not a possibility so long as the authority for bringing it about rests in thousands of school districts around the country. Sometimes achieving a higher level of education depends upon their inclinations, and upon their notions of what a higher education means. In other cases, achieving that objective is simply beyond their control because they cannot afford it. For instance, in 80 counties in the Appalachian region the educational systems have very little money with which to operate, and other government services (such as medical care) are almost non-existent. A recent study* indicates that the reason for such a state of affairs is the arrangement of capital: most of the land is owned by large absentee landlords, most of whom are large corporations, and most of whom pay low taxes. The average tax in many of the counties is 25¢ per acre. Pocahontis, Kentucky, a subsidiary of Norfolk and Western Railroad, paid $76.00 on 81,000 acres of Martin County, Kentucky. Obviously, the educational system of that county will reflect the low tax base, and the graduates of that school system will become a burden for the nation.

To these moderate and considered views, I invite the attention of this Select Committee of the House. As I have said, they are the consequence of more than thirty-five years of dealing with American poverty from several perspectives.

I fully realize that black people are not the first in history to suffer. I realize also that, although much pain is involved in this type of suffering, all is not bad which comes from pain. The saints extracted from their pain and suffering a special grace which has illuminated our civilization. It would be a special blessing to black people if, in their efforts to achieve social and economic equality, they might impart fresh vigor to our democracy, providing an example for the South and for the nation.

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*Landownership and Its Impact on Appalachia, by the Appalachia Land Ownership Task Force, 1931, a study undertaken for the Appalachian Regional Commission, published by the University of Kentucky Press, Spring, 1983.

Chairman MILLER. Dr. Holloway.

STATEMENT OF TED HOLLOWAY, M.D., DISTRICT HEALTH DIRECTOR, SOUTHEAST PUBLIC HEALTH UNIT, WAYCROSS, GA

Dr. HOLLOWAY. Thank you very much. I would like to talk to you about the problems specifically relating to maternal and infant care in southeast Georgia. My health unit provides public health services for 16 counties encompassing an area approximately the size of the State of Massachusetts. This large rural area has a population of about 250,000 people. Over 45 percent of our white population and 78 percent of our black population live below 200 percent of the poverty level. We are facing a crisis within the coming year or two that is going to affect the services for all of our women and children.

I would like to briefly talk about four things that I think have the largest impact currently. One is the medical liability crisis which is driving physicians out of OB care. In our area, 6 years ago, we had 52 physicians who were providing OB care. Now we have 39, and of those I have had personal conversations, with a good number and perhaps half of those will leave OB in the coming year.

The second area involves changes in hospital financing. Our hospital system was largely set up by the money that was available through the Hill-Burton Act after World War II and resulted in 14 of our 16 counties having hospitals. DRG's and decreased reimbursement by insurers have made the survival of these small hospitals questionable. We are having an increase in the number of medically indigent and, especially, uninsured in our area; at the same time we are having a decrease in support from Federal, State, and local governments for indigent care. Low-income, pregnant women are finding it more difficult to access care. They suffer more complications, have fewer financial resources, and are generally felt to be a higher risk group by physicians for malpractice suits.

The hospitals, although willing in the past to accept indigents from their own county, do not want to open their doors to the indigent population from surrounding counties. Physicians practicing under the cloud of medical liability are reluctant to provide prenatal care because the patients many times are not able to afford the medications, monitoring, and special tests that may be necessary.

Ten years ago, our district had one of the highest infant mortality rates of any district in Georgia. Since that time, intensive efforts by both public and private-care providers have produced a dramatic reduction in infant deaths. Our rate dropped from 21.3 in 1975 to 12.2 in 1984. During this time period, Federal and State moneys have enabled the development of an neonatal intensive care system, including transport from smaller hospitals to the tertiary center. The WIC Program in our area currently serves 11,000 women, infants, and children per month. Obviously, the fact that 40 percent of our white births and 80 percent of our black births occur to women who are on the WIC Program is indicative of the severity of our socioeconomic problems. (WIC eligibility is limited to families whose income is less than 185 percent of the poverty level.)

We have strived in our area to assure that prenatal care is an integral part of the health services received by WIC participants. Local partnerships between the private physicians, hospitals, and health departments have resulted in four low-cost package delivery programs for indigent women. In addition, a Nurse Midwifery Service funded by the State was established in Waycross this year.

In spite of these gains, we face some grim realities. Twenty percent of our white infants and one out of three of our black infants are born to teenage mothers. Our area lags far behind the State in such factors as maternal education, percentage of population in poverty, and unemployment.

Our county governments will face difficult decisions as our economic picture darkens. The farm crisis, along with falling prices for forestry products, is having a tremendous impact on our area. The realities of Gramm-Rudman-Hollings and the threat of declining grants and revenue-sharing moneys are placing heavy burdens on county commissioners who have implemented needed, but expensive, solid-waste programs, county water programs, et cetera, over the past few years. It will be difficult, if proposed budget cuts go through, for local governments to maintain current services, much less provide new services for indigent patients.

Hospitals in our area are being forced to decrease services which lose money in order to keep their doors open. Private for-profit corporations have little interest in providing care to uninsured people. Our private physicians are faced, on the one hand, with pressures from the hospitals to hold down costs which are not reimbursable and, on the other, with ethical and medico-legal obligations to provide quality medical care to their patients regardless of income.

Public health programs are facing an increased demand for services with decreasing resources. Our major funding comes from Federal, State, and local governmental bodies. Proposed Federal cuts in our moneys will have both direct and indirect consequences. There will not only be a decrease in direct Federal support, but increased competition for scarce State and county moneys, as they also begin to feel the effects of Gramm-Rudman-Hollings. Small businesses are finding it difficult to provide the expensive healthcare insurance for the employees and a growing number of people are joining the ranks of the medically indigent and uninsured.

Our preliminary data indicate that our infant mortality rate for 1985 will be 16.1 overall, with a black infant mortality rate of 25.2. This is the largest infant mortality rate that we have seen since 1978. While this may represent a statistical aberration, I fear it is a sign of things to come. We face a crisis in services for mothers and children which, if unresolved, could do away with all the gains we have made over the past decade. It is ironic that as community concern for such problems as teen pregnancy, large numbers of births to unwed mothers, child abuse and neglect are reaching the highest level that I have seen since I have been in public health, our economic support to deal with these problems is rapidly diminishing.

I would like to thank the committee for the foresight and leadership you have demonstrated by holding these hearings. I would like to urge you to resist the efforts of those who would be "penny wise and dollar foolish" when they impose further reductions on programs which currently can provide only a minimal level of support for poor families. If plans are not made to enfranchise the poor and uninsured into the evolving system of health care, we will surely suffer as a nation. The future of our country will depend on a healthy and well-educated new generation of leaders and workers who can be competitive in the world marketplace. We cannot afford to give up on the dream of making a safe birth a right, instead of a privilege, in this, the greatest nation on Earth.

Chairman MILLER. Thank you very much.

[Prepared statement of Ted Holloway, M.D., follows:]

PREPARED STATEMENT OF TED HOLLOWAY, M.D., DISTRICT HEALTH DIRECTOR, SOUTHEAST HEALTH DISTRICT, MACON, GA

The Southeast Health Unit of the Georgia Department of Human Resources is comprised of 16 counties, encompassing an area approximately the size of the State of Massachusetts. This large rural area has a population of 254,000 people; over 45% of our white population and 78% of our black population live below 200% of the poverty level. Agriculture, poultry, forest products and small manufacturing are the mainstays of the economy. The largest county has a population of 38,000 and the smallest has a population of 5,500.

The Health Care System for this area was largely developed as a result of the Hill-Burton initiative after World War II. Fourteen of the 16 counties have hospitals which, in the past, provided health care for most of the people in their county. Only 2 or 3 of these hospitals continue to receive county funding to provide indigent care. The rapid changes in health care financing, specialization, and the rise of For-Profit hospitals have placed intense competitive pressures on these small hospitals. Hospital authorities are being forced to look at ways to limit indigent services, cease providing unprofitable types of care and try to attract private patients.

These changes in the health care system, along with the medical liability crisis, bode special consequences for maternal and infant services. Presently 13 of the hospitals provide OB care. Economies of scale cannot be realized by hospitals who perform only 100 to 200 deliveries a year. It is difficult for them to afford the staffing, equipment and continuing education necessary to provide quality obstetrical and neonatal care. Private patients without the financial and transportation barriers that exist for the economically disadvantaged are traveling 50 to 60 miles to larger facilities for delivery. This results in further erosion of the financial base which keeps the small OB service in operation. Unfortunately, the larger hospitals in the area are not in a position to absorb the patients from the smaller hospitals. Six years ago, we had 52 physicians who were practicing obstetrics. Today this number has been reduced to 39 - 24 Family Physicians and 15 OB/GYN Specialists. Medical liability rates and the constant threat of being sued are causing many of the physicians to rethink their commitment to providing perinatal care. Family physicians who deliver 50 to 100 patients a year are finding it almost impossible to continue to provide this service. Unfortunately, the obstetricians in the larger hospitals are not prepared to take on this additional load. I have had personal conversations with 5 of our 15 obstetricians who are seriously considering leaving the area or stopping OB.

Low income pregnant women find themselves in a "Catch 22". They suffer more complications, have fewer financial resources to insure their health and welfare and are generally felt to be a high risk group for malpractice suits by the physicians. The hospitals, Although willing in the past to accept indigent patients from their own county, do not want to open their doors to the indigent population from surrounding areas. Physicians are reluctant to provide prenatal care because the patients may not be able to afford the medications, monitoring and special tests that may be necessary. Paradoxically, since the provision of total prenatal care and delivery makes one more legally responsible for the outcome, there may be less malpractice risk if the physician delivers a patient as a walk-in in the emergency room without providing prenatal care.

Ten years ago, our district had one of the highest infant mortality rates of any district in Georgia. Since that time intensive efforts by both public and private health care providers have produced a dramatic reduction in infant deaths. Our rate dropped from 21.3 in 1975 to 12.2 in 1984. During this time period, Federal and State monies have enabled the development of a highly technical hospital based regional system of intensive care for newborns, including transport from smaller hospitals which are unable to provide this level of care. The WIC Program in our area currently serves 11,000 women, infants and children per month. Obviously, the fact that 40% of our white births and 80% of our black births occur to women who are on the

WIC Program is indicative of the severity of our socio-economic problems. (Eligibility for WIC is limited to families whose income is less than 185% of the poverty level.) Forty percent of our children age 1 to 4 also receive WIC services - demonstrating the magnitude of health problems which exist in our area since WIC eligibility for this group depends upon the co-existence of medical problems with low income. We have strived in our area to assure that prenatal care is an integral part of the health services received by WIC participants. Local partnerships between the private physicians, hospitals and health departments have resulted in four low-cost package delivery programs for indigent women. In addition, a Nurse Midwifery Service was established in the Waycross area last year, funded by the State of Georgia, to provide prenatal and delivery for indigent women.

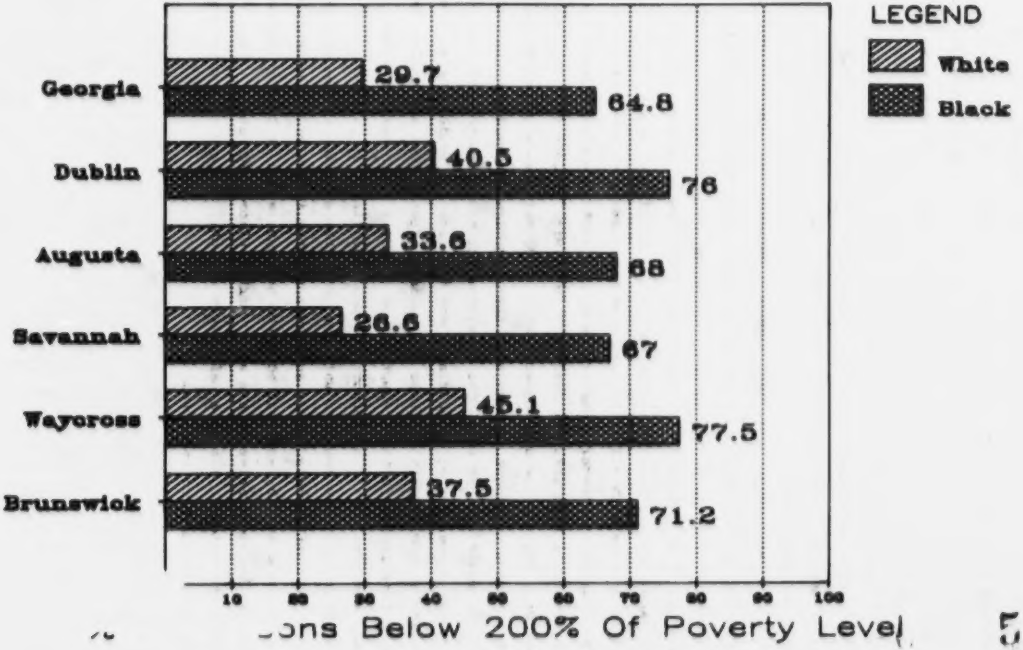
In spite of these gains, we face some grim realities. Twenty percent of our white infants and one out of three of our black infants are born to teenage mothers. Our area lags far behind the State in such factors as maternal education, percentage of population in poverty and unemployment. In February, 1986, data from the Department of Labor show that two of our counties have an unemployment rate over 15%. Eight of the counties exceed the U.S.A. unemployment rate of 7.8% and our district as a whole exceeds Georgia's unemployment rate by 2%.

Our county governments will face difficult decisions as our economic picture darkens. The farm crisis, along with falling prices for forestry products, is having a tremendous impact on our area. The realities of Gramm-Rudman-Hollings and the threat of declining grants and revenue sharing monies are placing heavy burdens on County Commissioners who have implemented needed, but expensive, solid waste programs, county water systems, etc. over the past few years. It will be difficult, if these budget cuts go through, for local governments to maintain current services, much less provide new funds for indigent care. Hospitals in our area are being forced to decrease services which lose money in order to keep their doors open. Private For-Profit Corporations have little interest in providing care for uninsured patients. Our private physicians are faced, on the one hand, with pressure from their hospitals to hold down costs which are not reimbursable and, on the other, with ethical and medico-legal obligations to provide quality medical care to their patients regardless of income. Public Health programs are facing an increased demand for services with decreasing resources. Our major funding comes from Federal, State and local governmental bodies. Proposed Federal cuts in our monies will have direct and indirect consequences. There will be not only a decrease in direct Federal support, but also increased competition for scarce State and County monies as they also begin to feel the effects of Gramm-Rudman-Hollings. Small businesses are finding that health care benefits are too expensive to purchase for their employees and a growing number of people are joining the ranks of the medically indigent and uninsured.

Our preliminary 1985 data indicates that our infant mortality rate for 1985 will be 16.1 overall. The black infant mortality rate will be 25.2 - the highest rate we have seen in our area since 1978. While this may represent a statistical abberation, I fear that it is a harbinger of things to come. We face a crisis in services for mothers and children which, if unresolved, could do away with all of the gains we have made over the past decade. It is ironic that community concern regarding such issues as teenage pregnancy, unacceptably high infant mortality rates, large numbers of births to unwed mothers, child abuse and neglect, etc. is higher than ever before at a time when economic support to deal with these problems is rapidly diminishing.

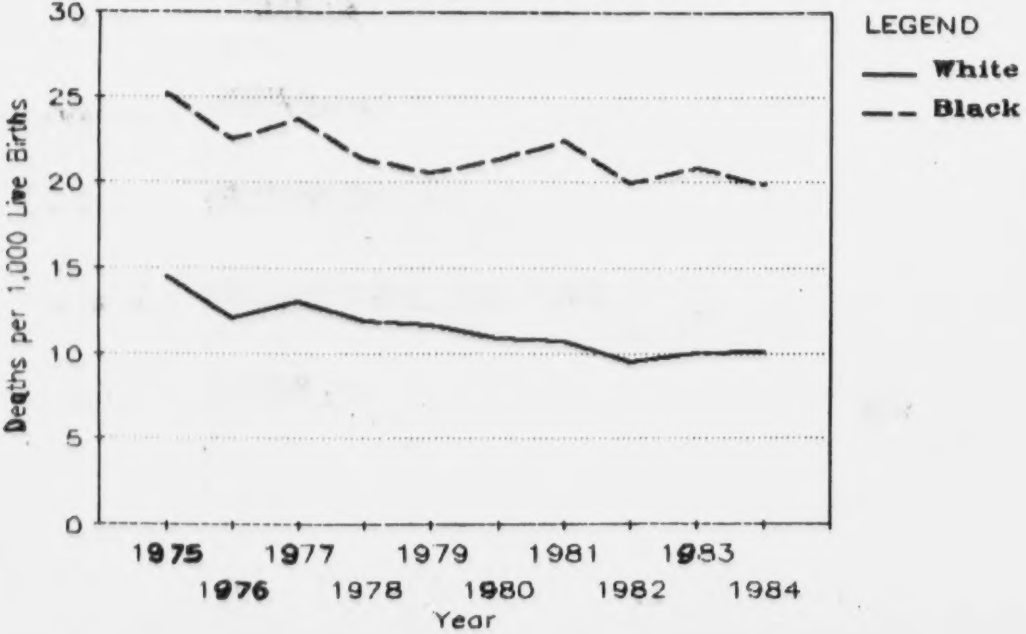
I would like to thank the Committee for the foresight and leadership you are demonstrating by holding these hearings. I would like to urge you to resist the efforts of those who would be "penny wise and dollar foolish" when they impose further reductions on programs which currently can provide only a minimal level of support for poor families. If plans are not made to enfranchise the poor and uninsured into the evolving system of health care, we shall surely suffer as a nation. The future of our country will depend on a healthy and well educated new generation of leaders and workers who can be competitive in the world market place. We cannot afford to give up on the dream of making a safe birth a right, instead of a privilege, in the greatest nation on earth.

% BELOW 200% OF POVERTY LEVEL
1979



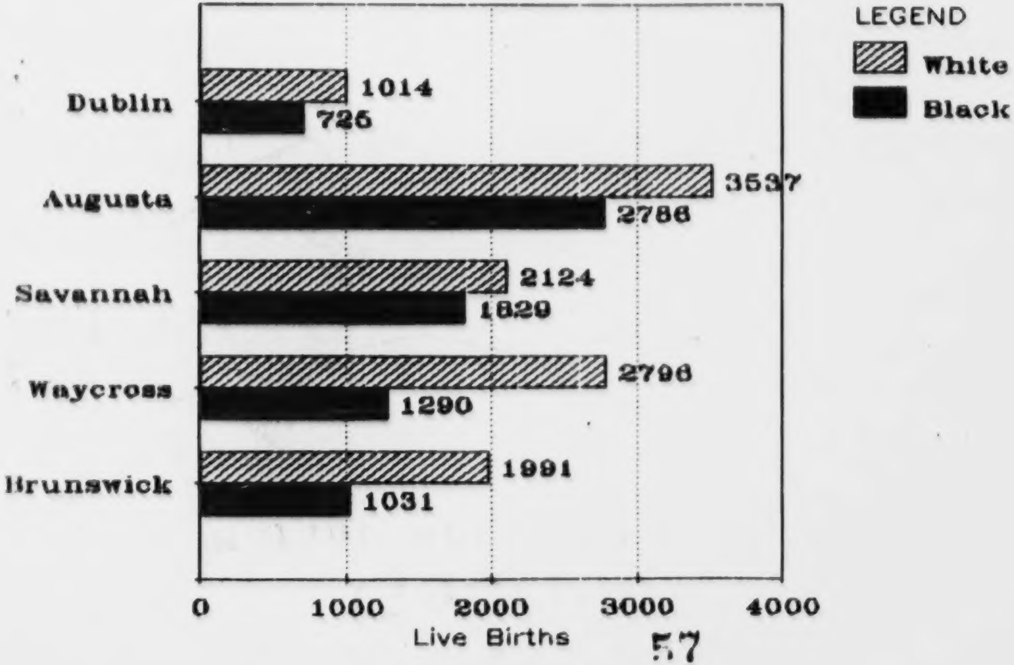
Georgia

Infant Mortality Rate



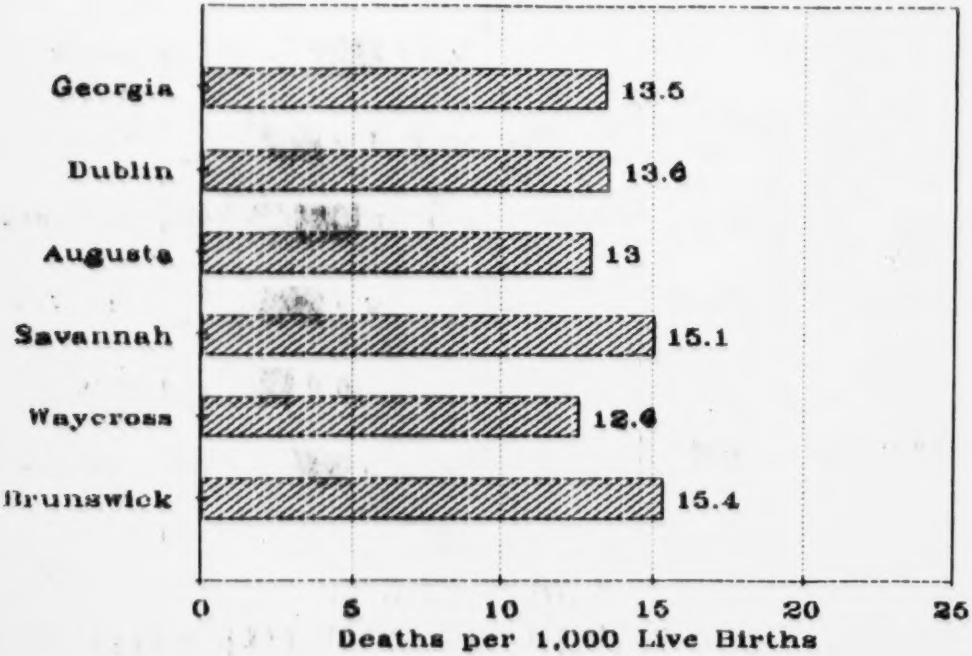
Live Births by District

1984

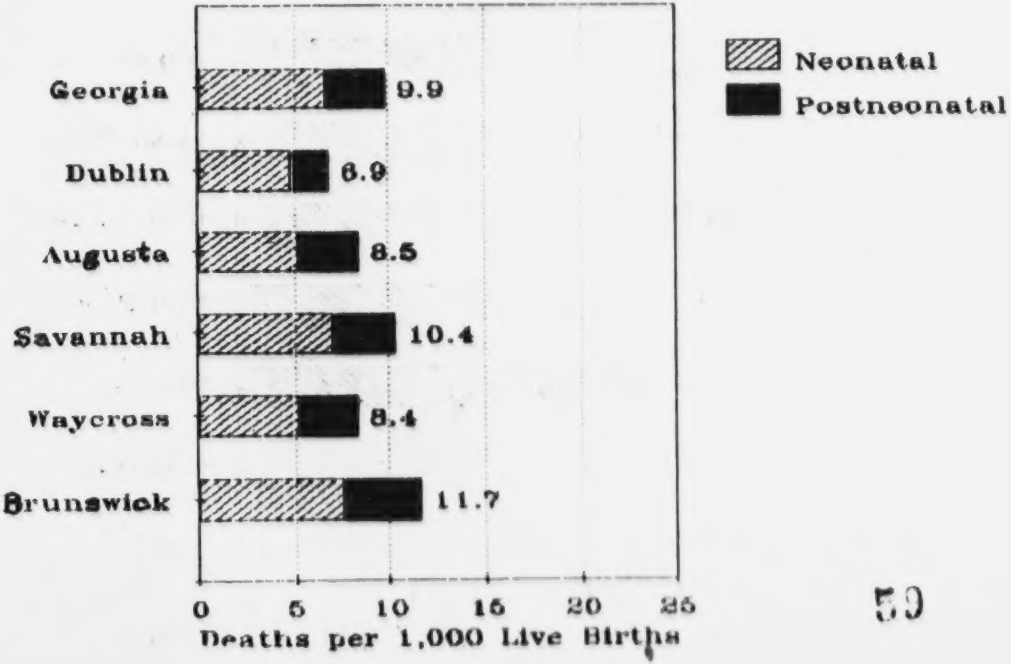


Total Infant Mortality Rates

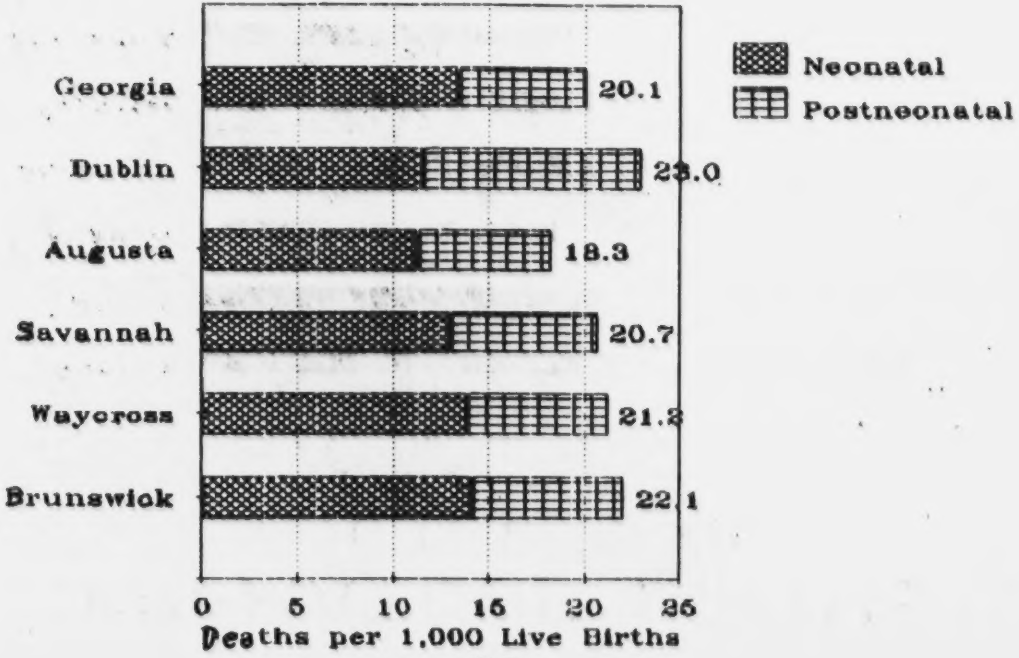
1982 -1984



White Infant Mortality Rates
1982 -1984

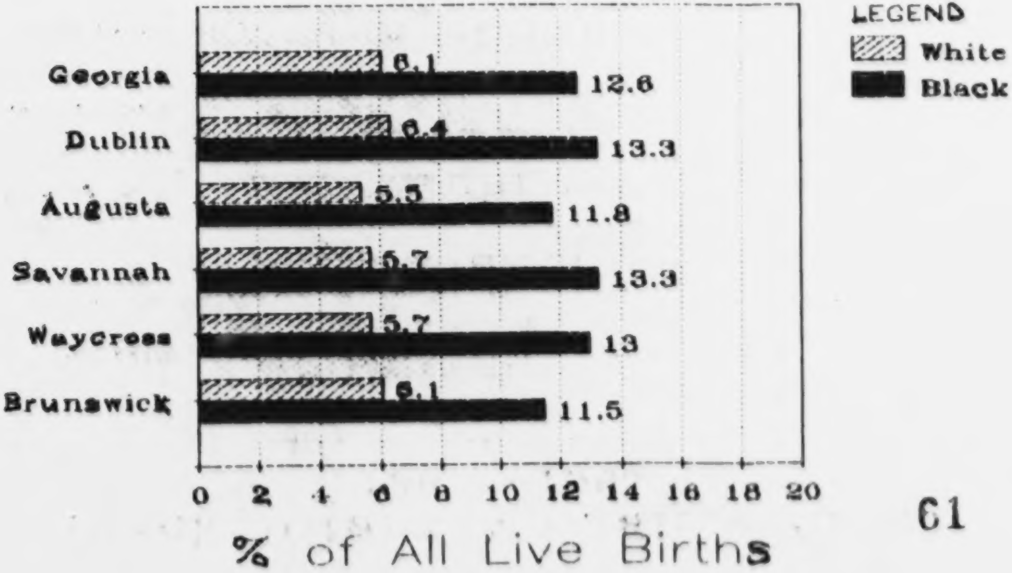


Black Infant Mortality Rates
1982 -1984

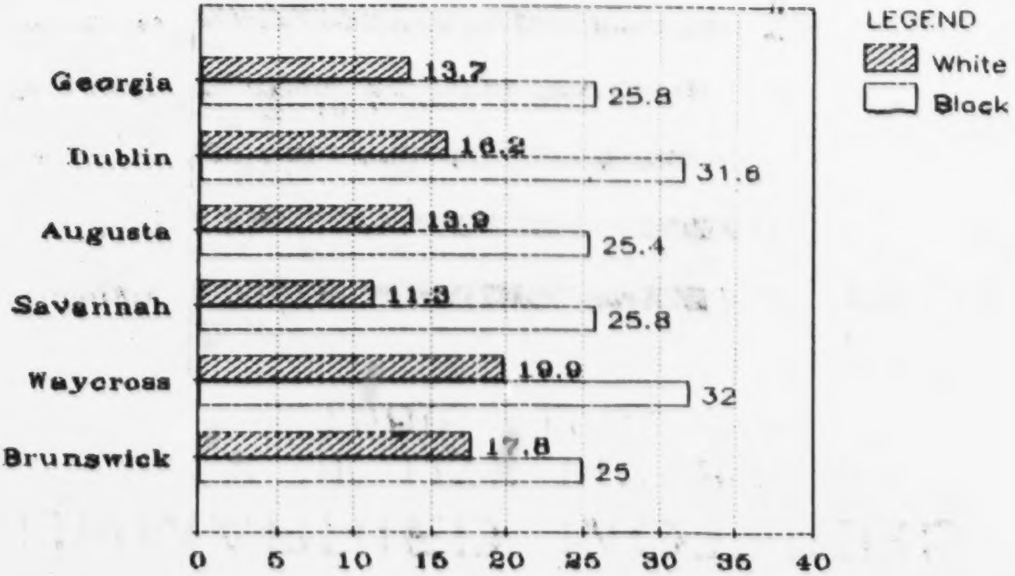


PREMATURE BIRTHS

% OF LIVE BIRTHS
1980 –1982



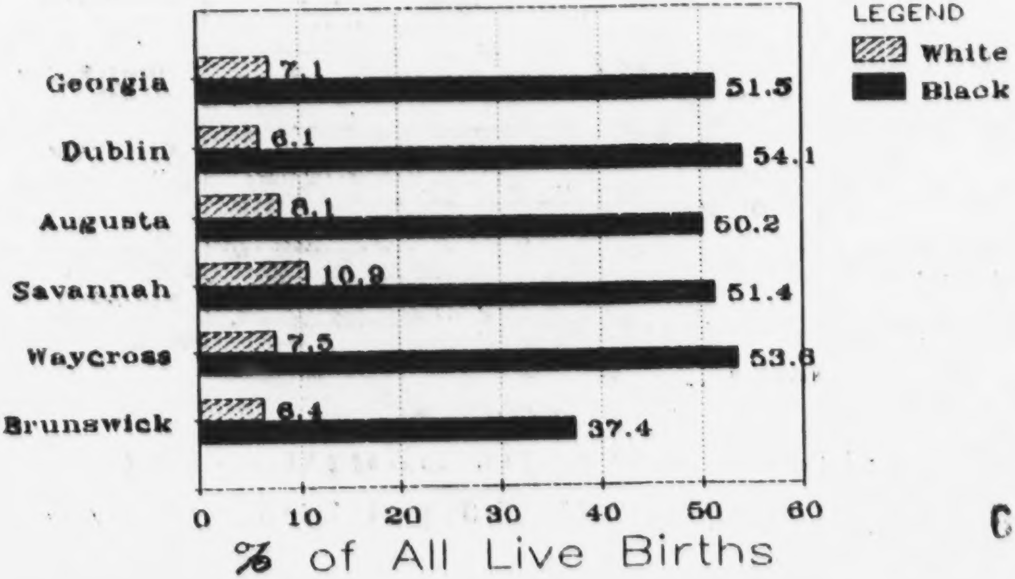
Teen Pregnacies
Percentage of Live Births
1984



UNMARRIED MOTHERS

% OF LIVE BIRTHS

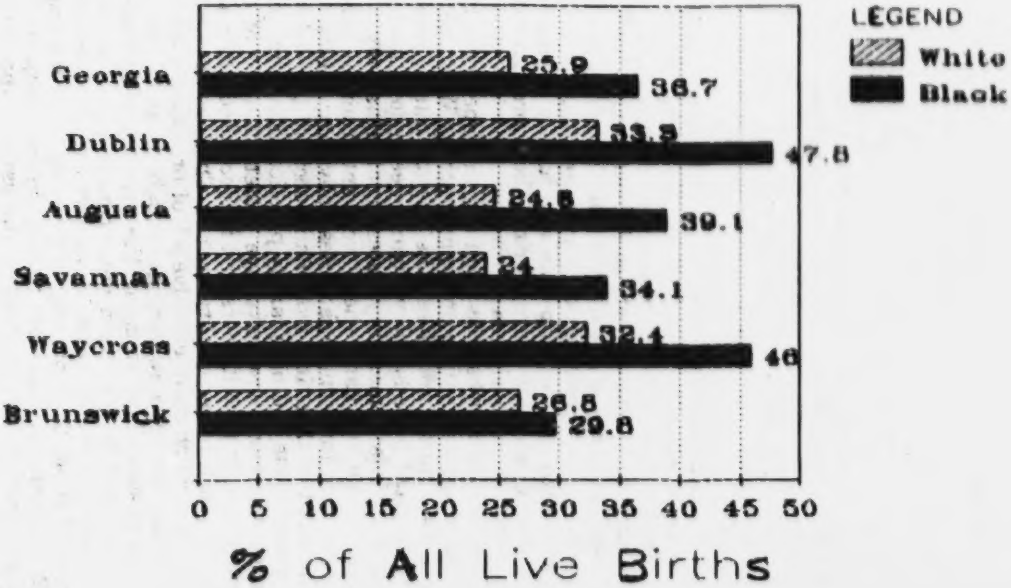
1980 –1982



MATERNAL EDUCATION

% LESS THAN HIGH SCHOOL GRADUATE

1980 -1982



Chairman MILLER. Dr. Gatewood.

STATEMENT OF SCHLEY GATEWOOD, JR., M.D., OBSTETRICIAN/GYNECOLOGIST, AMERICUS, GA

Dr. GATEWOOD. Thank you. I am here to echo much of what Dr. Holloway has just presented. As an obstetrician who has had a particular interest in being sure that adequate and quality prenatal care is available to all Georgians, we are in a situation now where we are seeing many of the inroads developed over the last 10 years suddenly crumble, and we must look at the factors that are involved in this and we must address them, and I appreciate the committee having the hearing here so that we can present our concerns.

I am a practicing obstetrician and gynecologist. I am in a rural portion of Georgia, in one of the areas that has the highest infant mortality rate. I have been there approximately 10 years. I am working in Sumter County in Americus, GA. We are the center for a health district of about eight counties with a population of 90,000. We have 20 percent of our population who are below poverty level and a high number of people who have a great deal of barriers in obtaining adequate care during their pregnancies and for their children in the early years.

In looking at what has been accomplished over the last 10 years, I see many of the fine programs such as WIC, the increased use of certified nurse midwives, the use of nurse practitioners having made great inroads and we can indeed show this by our indicators, such as infant mortality rates. Looking at my own eight-county area, I see 10 years where we went from six hospitals, many of them with inadequate facilities delivering babies, to two hospitals. We went in that time from four specialty trained obstetricians and gynecologists and nine family practice or general practitioners, to a time where we now have five obstetricians as of the end of 1985, three family practitioners and five certified nurse midwives providing a much better quality of care. This has been very encouraging. We do a much more effective job of providing quality care.

What we are now seeing, though, is as of the last year and a half, obstetricians stopping the practice of delivering babies. The people that they stopped delivering care to first are the ones who do not pay or for whom they receive no reimbursement. This is what I think Dr. Holloway is referring to in his health district and throughout our State and throughout our country. Certainly the indigent patient is perceived as the patient who is at highest risk of having problems, but also perceived as the patient who is most likely to sue. So, the liability question has indeed affected us as private practitioners regardless of whether we were concerned with indigent care, particularly the rural physician. The rural physician finds himself in a situation where he does not have the luxury of saying you have not prepaid your obstetrical fee, therefore you must go to the teaching hospital. In our health district, we have 90,000 people 30 to 50 miles away from the nearest teaching hospital. So therefore, the private physician, as is a tradition among rural physicians, accepts a high number of patients who are unable to pay.

I knew when I went into practice, and it has not changed, that I would receive somewhere in the neighborhood of 50 to 60 percent of collections in delivering obstetric care in this portion of Georgia. Unfortunately, now we see physicians in a squeeze where we cannot afford to live on 50 percent collections. I have seen during 10 years the insurance premium for our malpractice insurance go from approximately $2,000 for the recommended coverage, up to over $20,000. Trapped in this is not only the specialist but the family practitioner who has provided a total family practice type of service.

The liability issue within the last year has caused my hospital, where about 800 babies are delivered a year, to have two of the physicians say, "we have had it, we cannot take this type of pressure," and to stop practicing obstetrics, causing the other two physicians to start to look for alternatives to providing delivery support. Fortunately, there was some money received from the State through a nurse-midwifery grant that allowed our hospital to encourage all obstetricians to continue care. Unfortunately, within the last 2 weeks the only other hospital providing obstetric care in our large health district has had announced to them by the three family practitioners and the one obstetrician, that because of the increased premiums they will no longer provide obstetric care in the Crisp County Hospital. The county commissioners and the hospital are looking at the situation now, but we see a hospital with over 450 deliveries, where no one will assume the care of any of the obstetric patients. It is particularly hard hitting the patients who normally go to the public health departments for their care.

I think this pretty well summarizes the effect of the liability crisis on the obstetricians, the certified nurse-midwives, and some of the programs that have been set up and have been effective. Gentlemen, we need, our patients need, our physicians need, the certified nurse-midwives need the liability crisis addressed and addressed very quickly. Thank you for the opportunity to speak to you today.

Chairman MILLER. Thank you.

[The prepared statement of Schley Gatewood, M.D., follows:]

PREPARED STATEMENT OF SCHLEY GATEWOOD, M.D., AMERICUS, GA

Sumter County, with its county seat Americus, Georgia, is the center of an eight county health subdistrict. Americus is a town with 16,522 population and a county population of 30,200. The eight counties, described as the Middle Flint area, comprise 2,700 square miles. The Middle Flint area is in the northern southwest quadrant of Georgia. The total population of this area is 93,000. Fifty percent of the population is white with less than 1% of the minority being other than black. The medium income for the area is $13,462. Twenty-seven percent of the population is below poverty level. Unemployment is well above average.

The largest hospital for the Middle Flint area is the Sumter Regional Hospital in Americus, with 171 beds, delivering 900 babies per year. The Crisp County Hospital is the second largest hospital and has 70 beds, delivering 450 babies per year. These are the only hospitals in the Middle Flint area which provide obstetric service at the present.

The availability of services in the Middle Flint area is affected by many of the common factors present in the rural areas of Georgia which do not have easy geographic accessability to large teaching hospitals. The teaching hospitals in closest proximity to the Middle Flint area are 30 to 50 miles from its boundaries.

The Middle Flint area has health departments offering prenatal care, provided by physicians, nurse-practitioners and certified midwives. These have been present in all eight counties for the last ten years. The desired trend towards closing of the smaller obstetric units is illustrated by the fact that in 1975 there were four obstetricians and two certified nurse-midwives in the Sumter Regional Hospital and nine general practitioners delivering in another five hospitals. In 1985 there were four obstetricians and three certified nurse-midwives in the Sumter Regional Hospital and one obstetrician and three general practitioners delivering in the only other obstetrical unit which is the Crisp County Hospital. In 1975 there was still a handful of granny midwives functioning in the eight county area. The decade from 1975 to 1985 was a decade of advancement in the availability of quality prenatal care. The closing of the small units which were less than adequately staffed was a major accomplishment without leaving patients greater than 30 minutes away from hospital facilities.

Fellows in the American College of Obstetricians and Gynecologists

Medicaid funding for delivery and for payments to the hospital and physician increased appreciably during this time. A system of regionalized care and referral was developed. There was increased usage of certified nurse-midwives and nurse practitioners. The WIC program continued to expand in the area. The Georgia Maternal High Risk Program was expanded until in 1985 it served approximately 2,700 women throughout the state with a budget of 4.5 million dollars per year. The greatest problem during this ten year time was the problem of cross county payment for indigent care for obstetric patients. The Middle Flint area faced, to a lesser extent, the assault on the non-profit hospitals by the for-profit hospital corporations.

The two non-profit hospitals with operational obstetric units have continued to accept cross county indigent patients. Approximately ½ of all deliveries at both the hospitals were Medicaid patients with approximately ½ the patients being delivered being full pay patients. Prenatal care was readily available through the public health departments regardless of financial status with assignment to the private physician on a rotating basis. The physicians had sporadically provided prenatal care for Medicaid and high risk patients within their offices. The greatest barriers to care during the last ten years for the Middle Flint area have been transportation for patients from the more distant outlying areas of the counties involved, education of the necessity for care, and attitudinal problems among clinical and medical staff causing embarrassment or undue delay in the process of obtaining care.

A crisis to the availability of care has emerged within the last year. It is related to the liability crisis which has been a national problem but has accelerated to the point that all of the providers of obstetric care in the eight county area have seriously considered stopping the practice of obstetrics. Much of the consideration of stopping practice has been the emotional impact of the change in attitudes regarding "malpractice" and the changing physician/patient relationship. Much has been on an economic basis. The price of liability insurance has gone in ten years from less than $2,000 for the minimal recommended level of coverage to greater than $20,000 for any physician who delivers more than approximately 30 babies per year. Despite the raising of delivery fees from approximately $300 in 1975 to an average of $1,000 in 1986, the obstetrician's take-home pay has declined in the last few years. This phenomena is probably the economic aspect of the malpractice phenomenon and has peculiarly hard-hit the rural obstetrician.

It has been an accepted aspect of rural practice in southwest Georgia that the collection rate for obstetrics is in the nieghborhood of 50 - 60%, as opposed to the typical urban practice. In the city the patient is able to be dismissed to the care of the large hospitals providing a teaching service, if the patient fails to prepay her obstetric fee. Raising the fee for obstetric service further lowers the percentage of collections among patients who are not on funded programs and, of course, has no effect on those who are on Medicaid or state funded programs.

In the Fall of 1985 two of the obstetricians in Americus had announced that they would stop providing obstetric care for a period of time and stopped taking new patients. This left the two remaining obstetricians with the prospects of delivering between 900 and 1,000 babies. Unwilling to shoulder this load and with difficulty in recruiting because of low comparative salaries to other physicians/obstetricians in urban areas, the two remaining obstetricians began considering offers for employment elsewhere. The situation was temporarily altered and corrected when the hospital agreed to underwrite the care of nonfunded indigent patients and agreed to do the secretarial portion of filing for Medicaid for the obstetricians. (The hassles of obtaining funds through the Medicaid reimbursement system are one of the greatest frustrations for physicians who do accept this form of reimbursement.) In addition, the hospital, the physicians and the Sumter County Health Department were able to obtain a substantial grant to fully implement the use of certified nurse-midwives in total obstetric care. The effect of this funding was that the physicians salaries were raised to a level that they could afford to pay the rising insurance premiums, at least for the present time. There is a prediction for an approximately 50% increase within the next year. The new plan of funding was sufficient incentive to encourage the two physicians who had dropped obstetrics to re-enter the practice of obstetrics.

Within the last month, the Crisp County Hospital, which delivered approximately 450 babies in 1985, has been notified by its obstetric staff of three general practitioners and one obstetrician that they will no longer accept new obstetric patients. The decision of the general practitioners was based on the elevation of their liability premiums to that of practicing obstetricians. Unable to make this type of payment they made the decision to stop obstetrics, leaving the lone obstetrician without support and with 450 deliveries to perform without help. At the present, a solution to this problem is being sought by the hospital authority and the county commissioners. The Crisp County physicians have further refused to provide back up for the prenatal clinics in their county and no mechanism has been developed yet to back the nurses who normally provide care there. Patients are being told to try to find physicians in other counties who will accept Medicaid patients. This, of course, leaves Medicaid patients with the problem of obtaining prenatal care having to travel a minimum of 30 miles for clinic or physician visits.

Providers who have been very involved, as all the physicians have in the Middle Flint area, with supporting the health departments in the past and being pleased with the many improvements over the last ten years are now feeling the economic necessity of withdrawing from a practice that they love. The reduction in infant mortality which they worked for is beginning to erode in the presence of cutbacks in the programs which have made such great strides. The rural physician has a long tradition of accepting all types of patients regardless of their financial status. Indeed, there has been a great joy in the variety and fullness of dealing with life and culture in its full range of existence. In a rural area where there is such a great need for physicians to be available to he indigent patients, the fear of the indigent patient being the one most likely to sue and the economic squeeze related to insurance have left the physician with little hope of imminent change. Lack of funding for complete laboratory testing and testing for high risk or problem patients threatens both the patient and the physician. The physician might be more likely to be sued should a bad outcome ensue.

The inevitable scenario arises where one of the many communities such as Americus or Cordele will have all its obstetricians discontinue with the practice of obstetrics. The time for action is now to prevent what seems so otherwise inevitable. We must find a way to provide our obstetricians and nurse-midwives with protection from the malfunctioning liability system. The rural areas of our country will find themselves without obstetric care and only those who can readily afford to travel to the larger centers and pay the higher obstetric prices will receive obstetrical care in the traditional system.

T. Schley Gatewood, Jr., M.D.

LIST OF ENCLOSURES

1. State of Georgia map showing eight county subdistrict.
2. District 7 - Columbus, Ga. - Infant Mortality Rates
3. Barriers to Prenatal & Delivery Care: A Survey of Georgia Mothers
4. Good Beginnings
5. Focus on Issues - League of Women Voters
6. Response to Southern Regional Task Force on Infant Mortality

Enclosures 3, 4, 5, and 6 are retained in committee files.

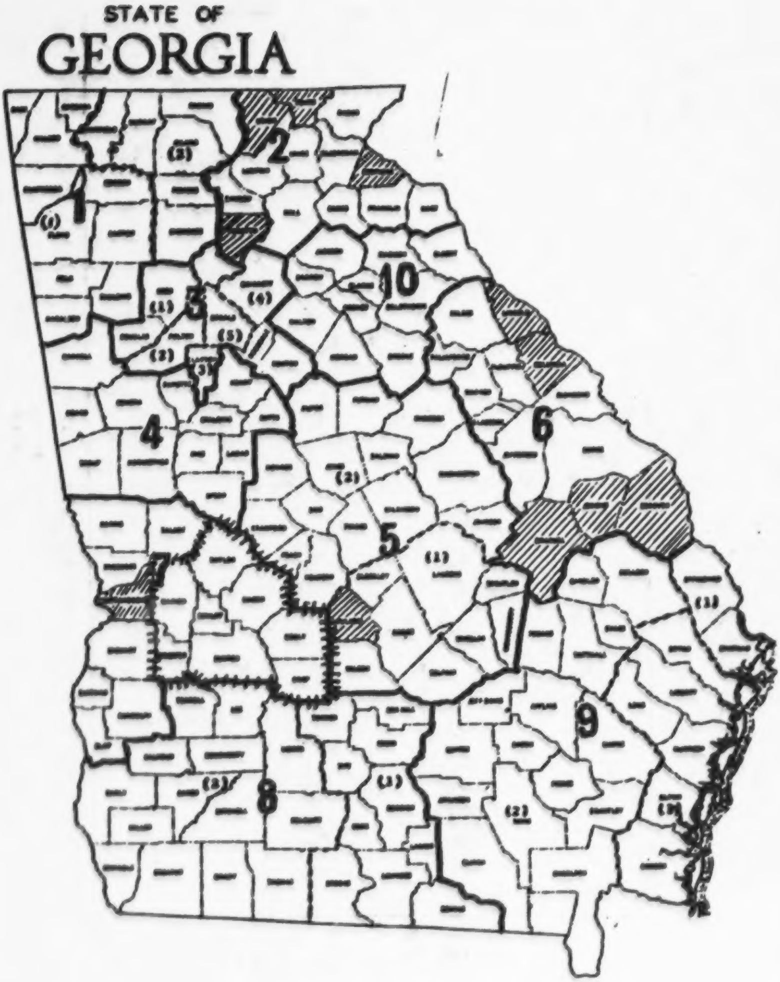

STATE OF
GEORGIA
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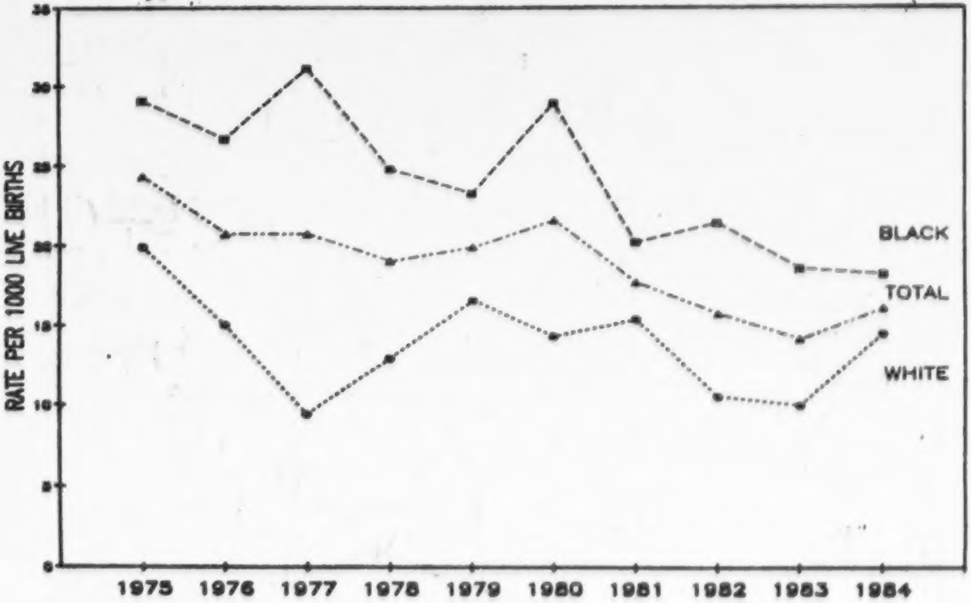
FIGURE 2

DISTRICT 7 — COLUMBUS
INFANT MORTALITY RATES, 1975 — 1984



Chairman MILLER. Ms. Moseley.

STATEMENT OF JULIA MOSELEY, F.N.P., DIRECTOR, WILSON CLINIC, CUMMING, GA

Ms. MOSELEY. My name is Julia Moseley. I am a family nurse practitioner and the director of the Wilson Clinic in Cumming, GA, a community health service. We are governed by a board of directors and we receive a Federal grant for 70 percent of our operation under the Public Health Service Act. We have been involved in prenatal issues since 1979 when we first opened. I think that our community is very typical of the problems that we are seeing in this area around the country. For that reason, I would like to just briefly outline what has happened in the last 3 years.

In September 1983, the four family physicians in our community quit delivering babies. They could not afford to do that any longer, due to their malpractice problems, due to the high rate of unpaying—nonpaying customers and also because they were family physicians where obstetrics was only a portion of their practice. One of those physicians was an employee of the clinic. She resigned and one of the main reasons she resigned was that she had delivered 50 women in the last year with no obstetrical backup, no provision for emergency cesarean section, you know, pretty well isolated out on her own.

At that time our health department did not provide prenatal care. After our physician left, our clinic did not provide prenatal care and women received no care. This period of time lasted about 14 months. In December 1984, our county commissioners contracted with a county north of us, where Dahlonega is located, with a new obstetrician who had just come to town and he agreed to deliver women that the clinic had seen and provided prenatal care to. This lasted 6 months when he had gotten his fill of the rural area and left and went home. He found that it was very difficult to be the only obstetrician in a six-county area.

Again, we were faced with the decision of whether to continue providing prenatal care at the clinic. We felt we had no other choice and we did. For about 6 months, we delivered prenatal care to women and these women had their medical records and they walked in in labor to metropolitan Atlanta hospitals. This was a very critical time for our staff, for our patients and for the obstetricians who were forced to deliver these women, at 2 o'clock in the morning, that they had never seen, would never get paid for and had no idea about. The women were sicker, they were younger, they were at risk in many, many ways.

We met with the hospital staffs in several hospitals and were finding that during this time the malpractice crisis was really coming to the forefront and the physicians who had once been willing to deliver uncompensated care to a certain percentage of patients were simply unwilling to do so at all. They, of course, could do nothing when the women showed up in labor, they had to deliver them, but that did not make for a very good situation for our patients. Fortunately, in November 1985, we were able to contract with a new obstetrician in north Atlanta. We have moved all around the north Georgia area now, and she works at the clinic a half a day a week and delivers women at a hospital north of Atlanta. This will continue until August, when we have been very fortunate in recruiting a National Health Service Corps obligated obstetrician. This young woman will be located in Dahlonega which is one county north of us and she will be the only obstetrician in the six-county area. I just hope that she will last.

I am finding that things have changed a great deal in the last 5 years, as far as the private sector's willingness and ability to continue to deliver health care to the uncompensated patients, and I am finding that our women had fewer choices to make. Even if they can afford it, they have a long way to drive. All of our women are married and they are working and they are not, you know, what you would think of as typically poor. If they had Medicaid, they do not have anyone who will take them anyway. So, the uninsured and the poor are in the same boat when it comes to obstetrics.

We found recently in a survey that the average obstetrical charge in the north Atlanta area is $1,600 to $2,000 for the obstetritional loan for a normal delivery, and when you add in the hospital bill, and the anesthesia fee, and the pediatrician's fee, you have got about a $3,000 to $5,000 bill to be paid before the seventh month and that is very difficult even for a family that has a good income.

I really would like—I would like to thank you for asking me to come and for taking your time to really think through these issues that I think are becoming very critical, especially the liability issue in obstetrics.

Thank you.

[The prepared statement of Julia Moseley follows:]

PREPARED STATEMENT OF JULIA MOSELEY, FAMILY NURSE PRACTITIONER AND THE EXECUTIVE DIRECTOR OF THE GEORGE E. WILSON MEMORIAL HEALTH SERVICES IN CUMMING, GA

I am a Family Nurse Practitioner and the Executive Director of the George E. Wilson Memorial Health Services in Cumming, Georgia. The Wilson Clinic is a community health facility funded under section 330 of the Public Health Service Act. We are governed by a board of directors and employ a Family Physician, a nurse practitioner, a part-time OB–GYN, and four support staff. Our mission is to provide primary health care to individuals at risk in our community. Individuals at risk include the poor, the uninsured, and the marginally insured. The uninsured population is one that is growing rapidly in our society. As health care costs use and liability issues dominate the market, delivering health care to this population becomes even more difficult. Added to this issue is the scarcity of health care resources in rural communities. The Wilson Clinic has been involved in perinatal care since its inception in 1979. During these last six years, there has been a critical change in the accessibility of obstetrical services. As I believe that our experience illustrates well the problems associated with obstetrical services in rural area, I will now discuss this issue in detail.

In September 1983, the four family physicians who provided obstetrical services in our community discontinued this portion of their practices. One of these physicians was an employee of the Clinic who had resigned. Her decision to resign was greatly influenced by the previous years' experience in delivering women as a Family Practice physician with little obstetrical backup. The hospital then closed the obstetrical suite and we now have an opthamology unit where we once had a labor and delivery area. The hospital's decision was based on several factors, one of them economic. Delivering an average of 100 women a year, most of whom were unable to pay the full cost of care, it became difficult to actively recruit an OB–GYN to the private sector. From September 1983 to December 1984, there was *no* access to prenatal care in our community of 30,000 people. The health department was unable to provide prenatal care without a back-up and due to the resignation of our physician, we did not offer the services. However, women were still becoming pregnant, but rather than receiving prenatal care, they were walking into emergency rooms in surrounding communities to have their babies. If they were able to afford care, they were forced to drive 20–30 miles to obtain care. In December 1984, our county contracted with a new OB–GYN in a county north of us to deliver the women who received their health care at the Wilson Clinic. This situation lasted six months until this obstetrician, realizing the difficulties of a solo practice in a rural area, left and returned to his home in Kentucky. We were now faced with a critical decision. We could continue to deliver prenatal care to those unable to obtain care or we could withdraw this service. We chose to continue prenatal care. From June of 1985 until November 1985 our patients walked in, in labor, to various hospitals in the metropolitan area of Atlanta, carrying with them their prenatal records from our Clinic. This period of time was difficult for our staff, our patients, and the obstetricians who were forced to deliver someone they had never met and who would be unable to pay their bill. In November 1985, the Wilson Clinic negotiated a contract with an obstetrician in north Atlanta. She continues to work at the Clinic ½ day per week and deliver our patients in North Fulton Hospital. In August of 1986, we will begin full time OB services through a NHSC physician who will be assigned to our clinic and will deliver women in St. Joseph's Hospital in Dahlonega. We will then provide services to uninsured women in three counties and only hope that our obstetrician will be able to survive such a grueling ordeal.

As you can see, we have been aggressive in our commitment to prenatal care, and have sought for a solution to this complex problem.

During the months that we provided prenatal care to women who were Labor & Delivery walk-ins, we came face to face with the current obstetrical crisis. The obstetricians in the private sector have become increasingly unwilling to provide uncompensated care to what they perceive is a litiginous population. As these physicians pay exhorbitant liability premiums, they are making choices as to which of their services they can afford to give away. As the recently matriculated obstetricians are entering the marketplace, they must make decisions on where to locate. Rural areas with little obstetrical support and large numbers of uninsured or poor women are not attractive sites.

The patients, however, have few choices to make. The women we see at the Wilson Clinic are predominantly young, uninsured, married women having their first child. They don't have the luxury of paying for care in the private sector. The vast majority of our pregnant patients are in working families whose wages do not begin to cope with the high cost of care. The obstetricians charges in the private sector range from $1,600–$2,000 for a normal delivery. The hospital charges range from $1,800–$2,400 for an uncomplicated delivery. Adding pediatric and anesthesia services, the full cost of care ranges from $3,200–$5,000. Even if the patients can afford it, transportation twenty to thirty miles is another problem. A family of moderate means finds this an impossible amount to pay before the seventh month of pregnancy. Women who live in very poor families and receive Medicaid fare no better. The private obstetrical community by and large does not accept Medicaid as reimbursement. Who can blame them, as Medicaid reimburses the OB $600 for a normal delivery, which is less than half of the physician's charges.

The problem women face in accessing perinatal care are problems our entire society will face. To see a change in our appalling infant mortality rate, we must be aggressive in assuring that all children born in this country have access to quality care from conception to birth.

From the community health care perspective, my recommendations are as follows:

(1) Revise the trend of regionalization of perinatal services and moving resources back into rural areas;

(2) Community health center funding to perinatal programs in rural areas;

(3) Medicaid reimbursement to physicians;

(4) Closer examination of the state and local government's ability to assure access to care for all citizens, regardless of county of origin;

(5) Further development of NHSC sites in regard to perinatal issues.

Thank you for the opportunity to appear before this committee. I commend you for attempting to address this critical issue.

If I can provide you with any further information, please do not hesitate to contact me.

Chairman Miller. Thank you, and thank you to all members of the panel.

Dr. Lick, in your testimony, you talked about the establishment of a national rural policy reflecting the important concerns of rural America, one which will help raise the consciousness level. What are the important components of that policy?

Dr. LICK. I think the most important element that, first of all, has to be addressed is that we are going to look at rural America differently than we have looked at rural America in the past.

There has been a psychology prevailing in America that whatever rural America has is good enough, whatever that is, and as a result, when we address problems and concerns, we, first of all, have a tendency to do what you and I would do in our own lives and that is, we look at where we get the most bang for the buck on those bucks and so we go to problems in urban areas first because the mass of the people are there.

So, the first element is that we have got to say we have serious problems, we have allowed rural America to drift too long. We have got to address these problems now as opposed to later when the gap widens.

So the first element that needs to be there is we need to change our awareness, our perspective, our priority level. I think another element that needs to be there is to back off and examine what we are presently doing in America. We have lots of things happening in America that can help rural problems and yet we are not bringing those to the fore, we are not pulling those out and utilizing them.

To give you an example, in rural education, there have been some movements in the Federal Government to pull together some rural initiatives. There is a committee that relates to the various departments within the Federal Government and they have been talking about rural education.

Within the Department of Education, there is a mechanism for looking at the various units within the Department of Education and they have been talking about it. The problem there is the attitude. Nobody really cares enough about the rural elements to make it happen.

In the particular instance of rural education, ultimately the past Secretary cared enough that he said we are going to do it anyway. We are going to do it whether you want to or not and so he created a new high-priority policy and he began to initiate some new things that would bring about some changes.

Unfortunately, the new policy that is there, dealing with rural education, it is a good policy, it is just kind of there quietly dying because those people who are in places to implement it and make things happen really are not making it happen and it has gone down from being a—maybe a beginning priority to not being a priority.

So it is there in place, but it is not being used.

I am not suggesting, for example, that a new organization should throw a lot of initial dollars necessarily at problems. I am suggesting that we need to create a mechanism that will allow us to set up higher priorities, to look at rural problems from a rural perspective. Often, we look at problems from an urban perspective and we try to urbanize the rural problems and sometimes that works and sometimes that fails.

I am suggesting redirecting dollars in some new, creative ways to impact some of the tremendous problems that exist across rural America.

Chairman MILLER. To what extent do you think that perhaps policymakers—national policymakers and others—are trapped by this romantic notion of rural America. The notion that if you are poor, it is better to be poor in rural America than it is in a highly dense urban center? One reads your testimony, just the health care statistics on strokes and heart attacks, et cetera, suggest that it is not as quite as pastorial as we think it is.

Dr. LICK. The romantic idea is real. It is real for the part of those people who live in rural America and have the affluence to buy the things that others cannot buy. So, for the person who has an above-average income in rural America, it is a fantastic place to live, but unfortunately, so many of our people in rural America, they do not have that affluence.

They cannot afford to go to Emory and get heart surgery. They cannot afford to go to the greatest clinic and have their baby delivered. They cannot afford to do those kinds of things, so that we have serious problems. We have a high level of people in rural America, who have a low education, they do not read or write well, they do not have a high income, they live in poor housing and all they are doing, in fact, is perpetuating that in others.

But for those who are affluent, for those who are more mobile, who can go, the romantic idea is true, it is true.

Chairman MILLER. What is the role of an institution, such as yours, in bringing together that kind of rural strategy?

Dr. LICK. I feel that institutions like mine have a major role to play and, in fact, I would like to see us given the opportunity to play that role.

We are trying right now, and there are others around the country that are trying. State colleges and universities, for example, have a national program going on tomorrow that I will be functioning at, in Atlanta, dealing with the urban economic development and we can play a role, but the problem is we need some help in doing that.

We need some help in finding some creative programs that will give us some dollars to go ahead and put our people to work in creative new ways. But without some seed dollars, if you will, to show that something can actually have impact, we are not in a position to do very much because the dollars we get from the State are pretty much commmitted to those things that must be done, like teaching in the classroom.

But, yes, we have not touched upon the effective use of our institutions of higher education, particularly the State colleges and universities that are distributed all over the place.

We have got 33 of them in Georgia and we are not in any position to really impact on the problem, but we need somebody to help us with initiatives that will allow us to try some experimental things that will have some impact on these concerns.

Chairman MILLER. Dr. Holloway, you are serving 11,000 women, infants, and children in the WIC program currently. What kind of waiting list do you have?

Dr. **Holloway**. WIC has a priority system for serving all women, infants, and children. Our waiting lists usually involve older children and postpartum women. Right now, we are not serving any postpartum women, so there is about a potential of 1,000 more women who could be on the program. We are able to serve all WIC priorities, 1 through 4.

Chairman **Miller**. So, with respect to your program, we would not do well to listen to the advice that the program could serve additional populations if they just prioritize? You are already down to age 4, right?

Dr. **Holloway**. Right.

Chairman **Miller**. With respect to children?

Dr. **Holloway**. That is correct.

Chairman **Miller**. Thank you. Mr. Rowland.

Mr. **Rowland**. Mr. Chairman, I yield to the ranking minority member, then I will let you come back to me.

Chairman **Miller**. All right.

Mr. **Coats**. Mr. Anderson, you obviously have had some success in the National Association for the Southern Poor in organizing the poor to provide self-help to address specific needs within a particular location.

Now you have just listened to the testimony of these doctors and health providers, on either side of you, they identified a very specific problem that exists in rural counties, probably a rural county not unlike the profile of counties that you are serving in North Carolina, Virginia, and some other places.

How would you address through your organization the problems that they identified? How would you go about doing that?

Mr. **Anderson**. Well, perhaps it is best not to answer this in the abstract, but to refer directly to some of the successes we have had, as in Surry County, and as I have stated, the profile of Surry County was very much the profile of—as described by the lead witness, Dr. Lick, and they have solved these problems.

First—the first thing you have to do is get the support of the community and that you do by establishing the structure of the organization. The organization is extensive so that any program will have the entire community's support.

The president of the organization, an ordinary working man—(we had one doctor in Surry County and he would handle something like 60 to 65 patients a day) went out and he raised a half a million dollars from the Robert Wood Johnson Foundation. He was able to do that because they saw an organized community supporting the effort.

They then brought in 3 doctors, and 12 specialists, and other medical specialists, and then he went out, since Robert Wood Johnson does not give brick and mortar, he raised money enough, another half a million dollars, for a clinic. The health statistics improved tremendously and immediately. This was in the course of about 5 years.

Mr. **Coats**. And this doctor was successful in doing this because he was able to identify community support for this type of effort?

Mr. **Anderson**. That is right, and then they brought in the resources themselves, the low income of the county did.

Mr. **Coats**. I wonder if Dr. Holloway or Dr. Gatewood would want to respond to that? Is that a workable model that perhaps you ought to be looking at?

Dr. **Gatewood**. We have gone through a number of——

Mr. **Coats**. That is a bottom-up approach as opposed to a top-down approach.

Dr. **Gatewood**. Yeah; we have gone through a number of different efforts to involve community. We have been through, in our area, two Robert Wood Johnson grants. We have failed in our area with these.

Mr. **Coats**. Why have you failed and Surry County succeeded?

Dr. **Gatewood**. I think that is a question that needs to be addressed. I do not know enough about Mr. Anderson's program to make that judgment. I do know that the further you get away from Atlanta or get away from Columbus—our health office—the louder you have to holler to get any funding.

We have had a program going which attempted to and has actually done a very good job of getting community support, and over the last 2 years, I think we have appealed to as many as 10 or 15 grant issuing bodies to support our community program. The thing that I began to realize was that unless you have a full-time person to write grants, and you are as far away from Atlanta as we are, you have a very difficult time in getting a grant into the appropriate form to get money.

Mr. **Coats**. Mr. Anderson, do you have a full-time person who does that?

Mr. **Anderson**. No, we do not. The funds that were raised by our organization were raised by the poor themselves, by private individuals, by volunteer efforts. I think it comes down to this, if I am to make a general statement.

There are a lot of people who are concerned about poverty all over the South, more than before, frankly, in recent years. But you really cannot do much about a community of poverty if it depends on the efforts of a few individuals and this is, I think, the mistake that people make, that people who are in this building now are people who are concerned about poverty, but then they have not gotten an organized community behind them and, you know, the interesting thing is, it really works like magic once you do.

We have made strides in our county in not only the medical area, but in education and in other areas. We have gone out and we have found talented youth. It is a very fine thing—we had a competition among our organizations in 1981 and got a poor boy who could not get into college that year because he just could not afford it and in March he became one of the finalists in the Metropolitan Opera competition and came in second and 7 days later, won a scholarship to London's prestigious Guild Hall School of Music. There is a lot of that talent out there.

But we have found it in many of the poor—the very poor, who we identified when I went down there 18 years ago, are graduating from medical schools, and law schools, and so forth.

But as long as you have a minority in any community concerned with the problem of poverty, (and you do always have a few individuals) I think you will not be successful. I was a part of the Federal effort. I thought there was a better way. I left the marbled hall, the Congress, 18 years ago, and went down, and tried it out, and it worked, and it is still working. It is still producing results.

I have not been in Surry County in 15 years. I established the Assembly of Surry 15 years ago and left and all of the benefits of our efforts were done by the people themselves.

They organized their resources and they got the results. That is a little general, but I welcome anyone to go into those counties. I think it would be an inspiration just to see a before-and-after situation with the organizations we established called the Assembly.

Mr. **Coats**. Well, that is quite a description of a model we probably ought to be looking at. I want to commend you for your efforts along that line.

Just one other question of Dr. Lick.

Dr. Lick, we, this morning, had a brief introduction to the medical program here at Mercer, which essentially is designed to provide medical providers for rural Georgia communities.

It is a decided effort on the part of individuals here to target a specific need of providing medical service to the small Georgia communities. Is Southern Georgia University doing anything similar to other fields? Are you trying to target your education to both attract and train and then send back Georgia students to meet specific rural needs?

Dr. **Lick**. We are. We were partly responsible for getting this medical school established and we are very much doing that.

For example, we have a comparable program in nursing. It is a rural nursing program. We called it that and it is primarily to prepare first-class professionals to go out and practice in smaller communities, smaller hospitals, and community health centers.

We have also put in a rural family nurse practitioner program. We have also gone after and gotten Federal funds to develop continuing education, particularly for nursing home nurses.

We are about to implement a master's degree program next year for rural nurses. The same kind of thing in a number of other areas, but the answer is, "Yes." But the problem is the whole situation is so large, so immense, that we are touching a part of it. We are not touching all the other allied health specialists, for example, which there are almost none in this part of Georgia.

If you look at physical therapists, occupational therapists, and other kinds of health professionals, we have almost none and without some kind of funds to help us develop those programs and a willing State to let us do it, it is just not getting done.

If you look for physical therapists, you would find two in our county and we are in great shape in comparison to others. There are almost no occupational therapists at all and we can go on to other kinds of health professionals.

So, the magnitude of the problem is immense and that is part of what I talked about in terms of creating a psychology of priorities, so these things are important. Do not just put programs in Atlanta and Augusta, put some programs out where they are actually going to provide practitioners to go into the rural areas and we are not doing that in America right now.

So, the answer is,"Yes, we are." We are trying to do more but so much more is needed and that is true in rural education as well as rural health. That is true in just a number of areas.

So, the problems are so great, going back to Congressman Miller's comments, the organization he asked a question about, really needs to have an ability to create an awareness.

We do not even have good national data on what is the situation in rural America relative to the rural health. That data is not good. We have very little and it is not good.

We need a national study to say what really is—what are the circumstances of rural health in rural America versus urban America. We do not really know. We have done some studies here in Georgia and we know pretty well, but we do not know nationally very well and until we say this is an immense problem that has severe consequences and really go at it as a priority, we will continue to have serious problems.

Mr. COATS. Thank you, Mr. Chairman.

Chairman MILLER. Mr. Rowland.

Mr. ROWLAND. Thank you, Mr. Chairman.

I want to direct this question to Dr. Gatewood and Dr. Holloway, too. I was struck by what you said about decreasing the number of hospitals from eight to two. We have seen this taking place in the rural areas over the past several years.

I wonder how much you think the activities of the Federal Government may be contributing to that decrease? For example, the development of primary, secondary, and tertiary hosptials moving health care out of the more rural areas because primary hospitals are not able to meet certain criteria set by the Federal Government.

The regionalization of our country into areas where less is paid in one area than in another area, the apparent inequity in reimbursement of Medicare and Medicaid for more rural areas, these are things that I have been aware of over the years and become more acutely aware of since I have been in the Congress.

Do you have the same sort of feeling as I do, that perhaps while the Federal Government has been trying to help provide care in rural areas, they have in fact been doing just the opposite?

Dr. HOLLOWAY. I feel very definitely that is the case.

Like I say, our hospital system, our health care system developed as a result of a Federal initiative, the Hill-Burton Act, that wanted to make health care accessible to the population. Our area is literally as big as the State of Massachusetts; while you might have only 6,000 or 8,000 people in a county, that county could be tremendously large; so small hospitals were set up, 14 of them in a 16-county area.

What has happend with DRG's and with the health care reimbursement situation is that a large hospital in the area will set up a program just to attract private patients, Medicare DRG's that make money, et cetera. They do not set up programs that will attract indigent patients and patients that have no money. This really erodes the financial base for the small hospitals when the paying patients and patients who have resources go out of town.

I think that is one of the crises of our situation is that we are caught in a changing health care economy. In our area, the system was set up one way and the rules have all changed. We really lack providers. We do not have any private practice psychiatrists in our area at all and we need many other specialists.

Dr. **Gatewood**. I would agree with that. I do think that one of the problems is to set limitations for different sizes on hospitals and in trying to be sure that the obstetric care was quality care. In a hospital which only delivered 100 babies, we have discovered that that is almost impossible in this day and time.

The tertiary system, secondary level and primary level system obstetric care in Georgia has been one of the very best things that has happened. It has, to a certain extent, hurt the viability of the rest of the services provided and that need to be provided locally.

So it is very difficult to get the degree of discernment of what should remain primary-type care and what should be moved up on a tiered system. I think this has caused a good bit of the confusion, particularly, complicated by the for-profit hospital corporations. They are indeed taking tremendous advantage of the nonprofit hospitals who must depend on cost sharing. It is a very complex issue.

Mr. **Rowland**. Am I hearing you say that for-profit hospitals are working as a detriment to providing health care in rural areas?

Dr. **Gatewood**. I think very much so when you look at hosptials, such as ours, where we must offer all services, including obstetric care.

We have a tremendous expense from delivering a high percentage of indigent patients, and our charges are as high or higher than the for-profit hospital that is 40 miles away, which because they do have an elevated rate of collections, are able to have very fine facilities. They are carpeted and have a lot of amenities that are not necessary but that are much appreciated.

So, our hospital is losing the paying patient because we are having to take care of the deficit patient and it is a very, very serious problem for the size community, which supports a nonprofit secondary level hospital.

Mr. **Rowland**. Mr. Anderson, will you address that? You apparently are not having that kind of problem in the area where you have such great success? Can you look at that a little bit and give us some idea about why you are doing so well and others have not done well in other areas?

Mr. **Anderson**. Again, I have not done it, nor do I know the details. I cannot tell you in detail how they did it. All I can tell you is that they have done it. They have had success.

Mr. **Rowland**. Just one other comment and question, Mr. Chairman.

All three of you who are involved in medical care now, find the liability problem to be in a crisis situation at this point.

I know—I was contacted by some midwives in New York City about the problem and, in fact, their liability pretty soon was going to cost more than what they made annually in order to stay in business. We find that to be a severe problem in the State of Georgia, regardless of the cost for it? Is that true or not?

Ms. **Moseley**. If I may, in hiring the National Health Service Corps obstetrician, I had to do a perspective analysis of the insurance policy for the 4 years that she would be here. Before the St. Paul rate hike, it would have been $100,000 for the 4-year period and if they had gotten what they had asked, it would have been $160,000 for the 4-year period and for a Federal-funded center, that is, you know, $25,000 to $40,000 a year for a policy which is almost what we pay our family physician, you know, and that to us was just—we could not have borne that cost. That is why she has been hired federally and I am sure the private sector would feel this much greater than we do.

Dr. **Gatewood**. I pay approximately 25 percent of what my take-home pay is for malpractice premiums. One of the problems that we run into now is that in the rural areas, even if we raise our fees—as we have in the last 10 years, from $300 for delivery to $1,000 for delivery—my salary does not rise. We do not recruit well. We cannot tell a young doctor who is getting out of residency, unless he has, some very strong altruistic streak in him, that he should come to the rural area and deal with a lower salary, plus the insecurity of what the Government funding is for providing care. We will very soon find other problem areas such as the Cordele situation, where there are no doctors willing to deliver babies. I think you will soon find that there will be a town the size of Americus where we deliver 1,000 babies where no obstetricians are willing to practice.

The stress of his financial crunch and the tremendous emotional stress is great. The wholesome feeling that we had in our physician-patient relationship and the rewards that there were 10 years ago are now gone. We are at the point where there is a negative air in the practice of obstetrics.

Mr. **Rowland**. Thank you.

Chairman **Miller**. Mr. Levin.

Mr. **Levin**. Yes. Mr. Lick, you mentioned the absence of hard data on rural health. Is there any educated guess as to the extent of illiteracy on the education side in rural areas in Georgia?

Dr. **Lick**. Yes, there are estimates. They are better than the health estimates and illiteracy in rural Georgia is relatively high. Somewhere between 20 and 30 percent is the current estimate of illiteracy in the State of Georgia.

The expectation is that this costs the State of Georgia some $9 billion a year in lost and economic revenue.

Mr. **Levin**. So the estimate is that illiteracy in rural areas ranges between 20 and 30 percent?

Dr. **Lick**. Yes. The problem—you see, the problem—you can pick it apart with pieces, but it is a total problem. You just have a badly underserved area and it ranges all the way from the youngster, 0 to 3 or 4 or 5 years old, where we have homes where there was little education in the parents, there is little reading, there are not very many stimuli for the child, there is no reading to the child and you start a person who is going to have a diminished potential throughout life because of that very bad beginning.

And it is not that we can turn it all around and correct the whole problem, but we can make it so much better than it is and if we do not, then all we do is recycle generation after generation, someone who is a problem and those same kind of problems can perpetuate health problems, education problems, adult illiteracy problems, criminal problems, unemployment problems, economic problems, all the way through.

So, really, when you look at the system in rural America, I am suggesting that you look at the totality of the system in rural America and that is the kind of organization one needs that has enough clout, enough ability to say, "We have a lot of problems and here is how we need to address these various problems."

Adult illiteracy in the State of Georgia is very, very high. My institution is just beginning to get into that area. We have got the first small—quality basic education is the name of our new law in Georgia—grant to try to do something about that and we are beginning that thrust now and it is a major problem.

Mr. **Levin**. Thank you.

Dr. Gatewood responded to Mr. Coat's question, whether you had any comments on Mr. Anderson's testimony. I wonder if Dr. Holloway or Ms.——

Ms. **Moseley**. Moseley.

Mr. **Levin** [continuing]. Ms. Moseley had any reactions.

Dr. **Holloway**. We have had various communities who have had good community organization and have good local success stories.

Sister Mary Petrosky is in the audience today from Jeff Davis County and they have gotten a Robert Wood Johnson grant. They have established a health care center and that county today is in much, much better shape health-care-wise than it was 5 years ago.

Unfortunately, that county does not affect the county next door and in the rural areas, if I do something in Waycross, it does not help the people in Blackshear which is 8 miles away.

I grew up in a small, rural place in South Carolina named Ware Shoals and today as I drive through Honea Path, which is 8 miles away, I get this terrible feeling because I hate those people so much. [Laughter.]

Dr. **Holloway**. It is a big problem. Rural areas have a great deal of conflict between towns; therefore, community organization has by nature, in a rural area, got to be very, very local.

It is hard to do much community organization when you have got counties that have less than a 5,000-population base and over 16 percent unemployment. So, it is the magnitude of the problem, I guess, that I would like to emphasize.

Ms. **Moseley**. Well, our clinic would not be there if we had not had some Dominican nuns come to the area in 1976 and begin a ministry base among low-income people, where the people who needed the program determined the program, whatever it may be, from food to clothing to health to housing and they have been very successful.

We do not have—we have a referral relationship with them. They do a lot of our counseling—but their program is such that if someone is in need, they must contribute back to the community to receive the assistance, you know. It is a give-and-take self-help kind of situation, but—and they were very helpful with obstetrics when we had no one to deliver at all.

They got riders who would drive women down to Grady Hospital, which was about a 1-hour drive to the intercity of Atlanta. These women were particularly at risk for problems.

They were able to help in that way, but the obstetrical problem is so expensive and so large that it does go beyond, I think, the scope of volunteer services.

Mr. **Levin**. Mr. Anderson, as I finish my 5 minutes, I would appreciate it if you could send us more information about activities perhaps focused on Surry County. It strikes me, listening to your testimony and reactions, that we tend to get hung up or caught up in either/or propositions, top down, bottom up.

In many of the early poverty programs, you were a part of it, participation was mandated by the poor. Going through your testimony, and it does not have all the details, amidst the description of self-help, there is a lot of reference to governmental programs.

People built houses with FHA programs. They started education expansion by a new school. It is not clear how it was funded. So, I think it would be helpful if you could send us the details, including funding sources, for example, for expanded education programs.

How much title I moneys there might have been, the change in teacher ratios, from—what was it, 30-something to——

Mr. **Anderson**. Forty-five to one to 17 to 1.

Mr. **Levin**. It would be interesting to know where the money came from. That is a major shift and probably required a lot of resources. So, if you could send us the details, I think all of us would be interested in receiving that.

Mr. **Anderson**. I would be glad to do that. I would just like to say that so much of the antipoverty effort is dealing with pieces of the problem instead of with the whole thing. Today we are concentrating primarily on health and there is an interrelationship with all the problems and this is why I think that you really do, but if you want to deal with all the problems, you have to organize an institution that addresses all of the problems.

Second, insofar as your specific question is concerned, I will be glad to. I think that so many of the problems that our organizations have dealt with, deals with a combination of private and public funds and I think that that is how you deal with a lot of the problems you have.

In the case of the medical problem in Surry County, they started out with a foundation grant. Then they wanted to build a clinic and they went out and they got a combination of private funds.

The clinic that they built in Surry County, the first grant was $125,000 from a white resident in Surry County who was wealthy, in a county in which the races had very little contact.

In Portsmouth, VA, they wanted to start a trading program for the hardcore unemployed. So, they went out from private sources and raised those funds and the program was so successful that the city of Portsmouth, the placement rate was 80 percent, taking the hardcore unemployed off the street, making them carpenters and plumbers, and so forth.

So, the city itself took over the funding of the program on a level of $100,000. So that it really does depend on the type of problem that you have, the remedy that you are applying, but I would be glad to send you that information.

[Information referred to follows:]

AUG 8 1986

NATIONAL ASSOCIATION FOR THE SOUTHERN POOR
CHANGING THE FACE OF THE SOUTH

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Frank Stroud, M.D.
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Don Anderson
Executive Director

Clifford Somerville
Field Director

July 29, 1986

Dear Mr. Miller:

In response to your letter to me on June 20, 1986, I have corrected my remarks for accuracy and the corrected copy is included herewith.

Page 58 of the transcript was not included in the materials sent to me, but I believe that Congressman Levin asked about the sources of funds to which Assembly organizations have resorted to satisfy their program needs. Some examples are as follows:

Prince Edward County put up housing for the elderly in Farmville, Va which was set up by a private developer, and which housing units the Assembly of Prince Edward ran. The same thing was done in Franklin County, N.C. and in Nottoway County, Va, but the latter was supplemented in its efforts by FHA funds

Gates County, N.C. established a medical facility by a combination of private (foundation) funds and local governmental funds

Charlotte County, Va Prince George County, Va and Nottoway County, Va have bought land for recreation facilities through contributions and private fundraising activities of its members.

Amelia County, Va started a day-care center through private contributions. Appomattox, Va organized a nursery school program which prompted the county government to initiate a county-wide kindergarten program.

Buckingham, Va set up a pig cooperative and a quilting cooperative through private funding.

Halifax County, Va set up a recreation program through funds contributed by the Save The Children Federation.

The enormous strides in educationmade in counties such as Surry, Va were accomplished with local governmental funds, but substantial changes in approach to education.

Respectfully,

Donald L. Anderson

Donald L. Anderson

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Chairman MILLER. Thank you to all members.

Dr. LICK. Mr. Chairman.

Chairman MILLER. Yes.

Dr. LICK. May I just make one more comment?

Coming back to the broad base of the concerns that we have raised this morning, you know, it is going to take an extremely complex networking arrangement to solve some of the problems we are talking about.

Let me suggest there is already part of that in place right now. It is just not being used effectively.

It is being used as it was used 20 and 30 and 40 years ago, as opposed to being updated and modernized to really serve rural America and that is our cooperative extension offices around America.

We have a network with co-op extensions in every State, coming through the State university system. They are in every county in America and so you really have already a network in place to serve rural America, but we will have to change the sense of their priorities, the sense of their goals, the sense of their outreach and we will have to encourage them to work with other institutions of higher education, other social agencies and so forth. But, in fact, there is a rather major network in place and if we could bring them up to date and say your role is to really serve rural America directly and importantly, you would see a tremendous change within a 5- to 10-year period in the kinds of problems we are talking about.

Chairman MILLER. Thank you.

I want to thank the panel for highlighting a number of problems for the committee. I think it is important. It is clear that the region can't compete if it continues to lose the number of children that it does, for health reasons or educational reasons; our society as a whole cannot retain its strength under those circumstances.

Let me just say that the members of this committee and the Members of Congress are really quite excited about the southern Governors initiative that was brought to the Congress last week, in terms of extending Medicaid eligibility to those populations now not covered in a number of States, those that fall between State eligibility and Federal poverty levels. It is an interesting bill because you will find both Ted Kennedy and Strom Thurmond are coauthors of that legislation, along with many Members of the House and the Senate on a bipartisan basis. As pointed out by this panel. The earlier we start to attack these problems among our children, the greater benefits and payoff that we will see. So, in one way, we see the South troubled by these problems and in another way, we see the South taking the initiative to nationally address those problems that they have had so much experience with.

So thank you very much for your time.

The next panel will be made up of Mark Akers, who is the director of industrial development for the State of Indiana; Polly Porter, who will be accompanied by her son, Howard, from Metter, GA; and Dr. John Ikerd, who is the department head and professor of agricultural economics from the University of Georgia; Dr. Chrystal Barranti, who is extension home economist, from the human development department of the University of Georgia; Dr. Dennis

Orthner, who is director, center for work and family issues from the University of Georgia and Louise Hill, who is the women's coordinator for the Georgia Farm Bureau from Macon, GA.

Once again, you can see how we get into these questions and answers in the period of time allowed us and so to the extent, again, which you can summarize, so that members of the committee will have an opportuity to ask questions, it would be appreciated.

Also, I would like to ask—if there are no objections, I would like to ask that Ms. Porter be allowed to go first since Howard has been standing here all morning very patiently. He got up at 8 this morning and had breakfast with the members of the chamber of commerce and members of this committee and I think Howard and his sister may have other things to do than listen to us.

So we are going to let you, Polly, if you do not mind, go first and you can proceed in the manner in which you are most comfortable.

STATEMENT OF POLLY PORTER, MOTHER, METTER, GA, ACCOMPANIED BY HOWARD PORTER

Ms. Porter. Thank you.

First of all, on behalf of my family and other families across the United States, I want to thank all of you for caring. I hope that I can help you begin to understand the experiences that not only my family, but other families just like ours are going through as we try to survive this farm crisis.

I would also like to say when I refer to a way of life, I am not referring to the way of life Dr. Lick was talking about. I am referring to a good way of life in rural Georgia.

I would like to tell you about my family. Our daughter, Mary Ann, is 5 and she is in kindergarten. Howard, her brother, is 7 and he is in the first grade at Metter Primary School. I hope he does not turn off the microphone.

My husband, Robert, is employed by the Pineland Mental Health Department at a center for the mentally and physically handicapped citizens and I am a health and physical education teacher at Metter Middle School.

To explain to you the full effect the farm crisis has had on our family would be almost impossible. The economic side is not so hard. We can all write down a dollar figure, but to tell you how things have made us feel is a lot harder to put into words.

I can tell you about the land, the equipment, the animals and the house that we lost, but how can I tell you about the way of life that we are now missing?

First of all, I would like to go back a few years and give you a brief history of our family. When Robert returned from Vietnam and I graduated from Georgia Southern College, we were married and we lived a year in Florida while he completed his tour of duty for the Air Force. Soon after we moved back to Metter, we found a farm with a house and we arranged to purchase this farm. I guess, personally, this was one of the most exciting and happy times of my life because my dream of being a farmer's wife and of living in a wooden house on a dirt road was coming true.

The farming was not easy itself. I was teaching and Robert had another job with another farmer to help make ends meet, I guess is what we will say.

So we farmed after hours. We farmed together. While he did most of the work, I helped him by filling the seed—putting feed in the tractor and every now and then I would mow or harrow for him. He did not want me to plow too much because I plowed up most of his corn. We would load hogs, help sows have pigs and sometimes even in the late afternoon go fishing together.

And in 1978, Howard was born. I had planned to take a few years off from teaching and stay home with my children. When we talk about crisis in America with children, I think one of the crises—and do not get me wrong because I enjoy teaching and I enjoy getting out of the house for a while, but I think one of the crises is that we mothers are not spending either quantity or quality time with our children. We are a lot of times looking for other institutions or other people to provide the love and time that we need to be providing for them. That was how I felt and that is how I felt about staying home with my children, but I was not able to do that.

Somebody's mother, a grandmother, told me that I could do it if I wanted to and I guess I chose not to. I just did not feel financially I could stay home and not have that paycheck coming in.

And then in 1980, Mary Ann was born and I think, along with the fact that I could not stay home with my children, this was—we had been on the farm for about 4 years and the crisis was really beginning for our family.

Robert had to go to work in town because the farmer that he was working for could no longer afford for him to work for him and that meant a time to be at work and a time to get off work, which kept him away from our farm a little bit longer.

I do not know that on our farm we ever had a financially good year. We both had jobs off of the farm, but every penny we were making was going back into the farm. We had spent a substantial amount of the money that I had inherited from my parents on a down payment on the farm and also purchasing a tractor and there were years that we had trouble paying back the interest on the loan, the operating loan, and the farm payment. As a matter of fact, I do not know that we ever made a complete farm payment.

Robert was a good farmer and he worked real hard, but I think—but it seemed like that things were happening that we had no control over and let me give you a couple of examples.

One year, we had a beautiful corn crop. It came up, it was green, it was growing, it looked—it was just beautiful, but just as the kernals were forming on the cob and needed rain most of all, it did not rain and it did not rain and it did not rain for about 4 weeks there and we did not have any irrigation and we lost that corn crop and everything we had put into it.

The next—in the next 1 or 2 years, we had an abundant soybean crop. It all made beautifully, the only problem was every other farmer in Georgia made a beautiful soybean crop too so the price was low when you look at supply and demand.

So these are some of the things that we had no control over and I do not believe Congress has any control over either, as far as the rain.

Several farmers in Candler and surrounding counties were planting onions. We are in the Vidalia onion belt legally and so we decided that we might try planting onions. There is a tremendous expense to planting onions, but the profit with onions could be real high.

So, as a last step to rescue our farm, Robert decided to plant onions and just as they were sprouting, the disaster occurred. In one night of freezing rain and wind, we lost $25,000. This is another thing. We could not wrap up those onions in blankets, we could not do anything but sit there in the truck and watch them freeze.

The effects of these experiences on my family are not easily explained. First of all, let me tell you that what has happened to our family is not unique to us. The details may not be the same, but I know from some of our friends and neighbors in Candler County that the effects are much the same.

After about the third year of farming, I could see a change taking place in my husband. He began to be a little more withdrawn and I had heard that sometimes this was—this was something that happened to Vietnam veterans. So I assumed this was what was causing this and I tried to deal with it in that way.

By the time we had turned our farm over to FHA, Robert had begun to drink more and he was drinking almost every day. I am sure that some of you have experienced working as hard as you can for something and then having it fail.

If you can imagine this happening 5 or 6 years in a row, maybe you can understand how Robert must have felt. I tried to help him feel better and I tried to keep it all together, but I was having a lot of the same kinds of feelings of depression.

We had chosen this life on a farm not only for ourselves, but also for our children. We wanted a life out of the fast lane where we could spend time together with God, with nature and on our own land, but it was not working out.

Mary Ann and Howard, by the time they were 5 years old, had seen a goat and a litter of kittens born. We spent many a summer afternoon picking blackberries for jelly, riding horses, swimming in our pond, and just going for walks in the woods.

Robert and the children would go out at night sometimes and catch fireflies, if you know what fireflies are, or lightning bugs. Howard had a goat of his own and we had three horses. One of Howard's favorite places was his tree house. We also had a garden. In summer and winter, there were some days when almost everything on our table were things we had grown on our land.

I feel that too often parents buy things to entertain their children instead of spending time with them and I felt like in the country, it was a little bit less tempting to buy—it may have been because of our finances, but also a little less tempting to buy things to entertain them.

When it became apparent that we could not continue to lose money, we had a conference with the Farmers Home Administration and we decided to turn our farm back over to them. This was a hard thing to do. It was what we had been working for for 8 or 9 years.

We tried to work something out with them so that we could keep the house and the pasture, but that did not work either and so we began to realize that the house by the side of the road was no longer ours.

Robert's drinking continued to get worse. I do not have the time to try to explain to you what it is like to live with someone who drinks too much. I honestly believe the farm situation had a lot to do with him increasing his drinking.

The children and I were not only having to adjust to the fact that we were losing our farm, we also had to adjust to a man who was living in depression. The Farmers Home Administration let us live in our house until we had finally—until they had sold it and then said that we could live there until the new owners wanted us to move and this was both good and bad.

We experienced two growing seasons where nothing was planted on the farm and the weeds grew, but we also had time to decide what we were going to do and where we were going to go next.

During this time, Robert accepted a job at High Hope, which is the center for the mentally and physically handicapped, and I think this job, we might say, saved Robert. I feel like it helped him to understand that he could do something else that was worthwhile. He is a very kind and mild mannered person and is very good with working with people who need special help, and so I think that he found a place for him other than on the farm.

As a result of this job and maybe along with the job, Robert decided or began to realize that his drinking had gotten out of hand. I think when he found out he was needed, maybe he found out that he did not need the alcohol. In the spring of 1985 he checked himself into an alcohol treatment center in Brunswick, and the results of this treatment proved to be another salvation for our family.

At first I did not realize how much all of this was affecting our children. I guess I was more concerned about myself and how it was affecting me. Between the two children, Howard seems to be the more expressive of his feelings and Mariann, of course, is a year younger and does not express her feelings, excuse me, 20 months younger.

Mariann does not express her feelings quite as much. These examples that I am using from Howard is the fact that he expresses himself more often. I am becoming more and more aware of the fact that we need to let our children express their feelings sometimes and maybe even take them into consideration.

A lot of times when families are in crisis we may forget that the children are also going through a crisis, whether it is the farm crisis or the divorce or an alcoholic parent, or whatever the crisis may be. We may forget about the children because we adults are trying to survive ourselves and sometimes these things come out in school.

Being a teacher, I can see where some of the children in my classes, their behaviors, because of problems that have been going on at home and sure enough they change, and I can see that Howard's behavior in kindergarten was changing during the time his daddy was in treatment. His teacher and I had talked about his behavior several times and some of the problems that he experienced are a little personal and I am not going to share them with you.

However, he did become more aggressive, a little more aggressive toward his peers, and to have a kindergarten teacher that was aware that changes were going on and was considerate or caring enough to share these and discuss these with me, I think, was real important. He shared a lot of his feelings with his teacher and that may have been a good outlet for him to let out some of his feelings.

While Robert was in treatment I was invited to go to the treatment center to a family conference, and it was not so much or it was not they did not tell me how I could help Robert, excuse me. It was more to help me help myself and my children deal with the problem, and they also shared with me how important it was that the children be able to share their feelings.

I had a little trouble dealing with Robert's being in treatment, while I was very proud of his being there, how I was going to explain it to the Sunday School class and people who might not have understood how fantastic it was for him to say that he had a problem and want to do something about it.

Anyway, Howard seemed to have a lot better understanding of it, I guess, when he related to his class at kindergarten that his daddy had gone someplace and when he came back he would be a better man and that is exactly what happened. When he came back he was a much better man. He seemed to be more in control of his life instead of the events of his life controlling him.

So in August 1985 we decided to move to Metter, move to town. The farm had been sold and the new owner was going to come out and cut down a lot of trees and make a lot of changes, so we felt like this was the time to move to Metter. When we first told the children about it, they were real excited about going to town, and the people, the children they would be able to play with, but when we actually started packing and the children realized that we could not take the horses with us, we could not take the goats or the pond, the treehouse, they changed their minds somewhat.

In fact, I think Howard said two or three times he wasn't going to move to town, but, anyway, we moved into town, and thank goodness, my sister and I owned a wooden house on a paved road in town, so we moved into that house. If we had to pay a substantial amount of rent right now we could not or we would have had to make other arrangements.

Soon after we moved to town, in fact, about 2 weeks later, Howard's teacher in the first grade assigned them to write in a journal, and what she does, she tells them a topic and they write on it except with first graders a lot of times it is pictures instead of actual words and sometimes the words are not words that you and I could read.

Anyway, he drew a picture of his farm and he drew the animals and the house and I felt like through this journal he was able to express the fact that he was missing the farm. I want to put a plug in there for the teacher and the journal and the children being able to express themselves. Later on in his journal he wrote, or the teacher gave him the topic, "If I had a million dollars." This was in December. We had been in town for a good while and Howard's reaction to this was, I would take it and buy my daddy a jeep; I would buy a survival knife and with the money left I would buy a farm from the FHA. That to me kind of expressed the whole thing, his feeling about the whole thing. That is what he would have liked to do.

As far as coping with the changes that we have made, I guess we are doing OK. I will have to say we are coping, through the grace of God. He has brought some other things into our life when he took the farm out. The children are able to play with some neighbors and they seem to be adjusting. Robert has a farm, I mean a garden in the back yard, so he is still digging in the dirt and we are planting things.

Since we gave the farm back to FHA, last year the Farmers Home Administration auctioned our equipment and applied that to the loan that we had taken out from them, and we ended up having to pay $2,500 income tax on that equipment. That is something that I do not know how to cope with. I mean, we did that but I do not understand it.

Why did we have to pay that income tax on the equipment that was sold when we did not have the equipment or the farm anymore? And then one more blow, last month we received a letter from the Farmers Home Administration that we still owed them $16,700. That letter is in my cigar box filing cabinet in the top drawer of my desk and I do not know how to cope with that either.

As we look back on all this I get a sick feeling about not being able to live on the farm. However, I feel like one day we will go back to the country, maybe not planting onions or soybeans or corn, but to go back to the country and try to recapture some of the way of life that we might have lost.

Let me thank you all again.

[Prepared statement of Polly Porter follows:]

PREPARED STATEMENT OF POLLY PORTER, METTER, GA

On behalf of my family and other families across the United States, I want to thank all of you for your concern. I hope that I can help you begin to understand the experiences that not only my family but many other families just like ours are going through as we try to survive this farm crisis.

I would like to introduce my family. Our daughter, Mariann, is five years old. She is in kindergarten. Howard, her brother, is seven years old. He is in the first grade at Metter Primary School. My husband, Robert, is employed by the Pineland Mental Health Dept. at a center for the mentally and physically handicapped citizens. I am a Health and Physical Education teacher at Metter Middle School.

To explain to you the full effect this farm crisis has had on my family would be almost impossible. The economic side is not so hard, because we can write down a dollar amount. It is much more difficult to put feelings into words. I can tell you about the land, equipment, animals, and house we lost, but how can I tell you about the "way of life" we lost?

Let me go back a few years and give you a brief history of our family. Soon after Robert returned from Vietnam and I graduated from college we were married. We lived in Florida for a year while he completed his tour of duty with the Air Force. We then moved back to Metter. Five years later we found a farm with a house, and we arranged to borrow the money from the Federal Land Bank and the Farmers Home Administration. I guess, I, Personally, was about as happy as I could be. My dream of being a farmer's wife and living in a wooden house on a dirt road was coming true.

Farming, of course, is not an easy job. I was teaching and Robert was doing farm work with another farmer. We farmed the land together when we were not working at our other jobs. I would help him load the seed into the planters, or grease the harrows, or whatever he needed help with. Sometimes I would just ride the tractor with him and watch the birds or see a hawk catch a rat. Most important we were working together on our land. We put up fence, helped sows have pigs, loaded hogs, and sometimes in the late afternoon we might even have time to go fishing together.

In 1978 our son, Howard, was born, and in 1980, God blessed us with a daughter. I had planned to take a leave of absence from teaching to stay home with our children until they reached school age. By 1980 it was not financially possible for me to stay home. The "farm crisis" was beginning for us. Robert was forced to get a job in town because the farmer he worked for could not afford to keep him. He went to work for an agri-supply company.

I don't know that we ever had a financially good year. We both had jobs away from the farm, but every penny we were making was going back into the farm. We had spent a substantial amount of the money I had inherited from my parents on the downpayment on the farm and on the purchase of a tractor. There were years when we could pay back the operating loan and the interest on the land, but no matter how hard we tried we could not make a full loan payment.

Robert was a good farmer and he worked very hard at farming, but it seemed like we had no control over what was happening to us. One year we had a beautiful corn crop. When water was most crucial, it didn't rain. In fact the corn kernals never formed from lack of rain. We lost the entire crop. Another year we made a beautiful soybean crop but so did everyone else. The price we received for the beans was less than what it had cost us to plant them. Most years seemed to be like that and no matter how hard we tried things happened over which we had no control.

Several farmers in Candler and surrounding counties had planted onions and made a profit on them. So in 1980 Robert decided to plant onions. The cost of planting onions is very high but the profit can be high also. This was our last hope to be able to stay in farming. The onions came up fine and Robert and I were so proud of them. Just as they were sprouting the disaster occurred. In one night of freezing rain and wind we lost $25,000. These are the kinds of things that hurt us so bad, both physically and emotionally. The harder we tried the worse it got.

The effects of these experiences on our family are not easily explained. First of all let me say that what has happened to our family is not unique to us. The details may not be the same but I know from some of our friends and neighobrs in Candler County that the effects are much the same. After about the third year of farming, I could see a change taking place in my husband. He began to be even more withdrawn. I had heard about this being something that sometimes happened to veterans of the Vietnam War. So I tried to deal with his depression from this standpoint. Robert also began to drink more often. By the time we turned our farm over to the Fm.H.A. Robert was drinking almost everyday. I am sure that some of you have experienced having worked as hard as you can towards a goal only to have it fail. If you can imagine this happening five or six years in a row, maybe you can understand how Robert must have felt. I tried to help him feel better, but I was experiencing many of the same feelings. We had chosen a life on the farm not only for ourselves, but this is where we had hoped to raise our children. We wanted a life out of the fast lane, where we could spend time together with nature on our own land.

Mariann and Howard had seen a goat and kittens born by the time they were five. We spent many a summer afternoon picking blackberries for jelly, riding horses, swimming in our pond, and just going for walks in the woods. Robert and the children would go out at night and catch fireflies. Howard had a goat of his own and we had two horses. One of Howard's favorite places was his treehouse that his daddy had built for them in the pasture. We always had a garden. In summer and winter there were some days when almost everything on our table would be things we had grown. By having animals around, I feel that maybe the children may also have learned a little more about birth and death.

I feel that, too often, parents buy things to entertain their children rather than spending time with them. It seemed that was not quite so tempting in the country. Already I miss the time we had together out there.

When it became apparent that we could not continue to lose money, we turned our farm back over to the Fm.H.A. This was a very hard thing to do. We tried to work something out so that we could keep the house and pasture. That did not work. The house by the side of the road was no longer ours.

Robert's drinking continued to get worse. I don't have the time to try to explain to you what it is like to live with someone who drinks too much. I honestly believe that the farm situation had a lot to do with him increasing his drinking. Robert was not a violent drinker even when it was at it's worse. The children and I were not only having to adjust to the fact that we were losing our farm we also had to adjust to a man who was living in depression.

We were allowed to live in our house until the farm sold. This was both good and bad. It was very depressing seeing the land not planted and seeing it grow up in weeds. We did however have a chance to decide what to do.

Robert accepted a job at High Hope, the center for the handicapped. This job seemed to have saved Robert or at least it helped him to realize that he could do something else that was worthwhile. Robert is a very kind mild mannered person. He is very good with this type of individual. He soon began to cut back on his drinking. this was not an easy task either. In the Spring of 1984 Robert checked himself into an alcoholic treatment center in Brunswick, Georgia. The results of this treatment proved to be another salvation to our family.

At first I did not realize how much this was affecting our children. Our son, Howard, seemed to most aware of the changes that were taking place. Howard has always been a very sensitive boy. Mariann was younger and she does not share her feelings as much as Howard does. I am afraid that we adults too often forget about the feelings of our children. Being a teacher and a mother, I am becoming more and more aware of how much crisis of any kind in the family affect the children. A lot of times these things will come to a surface at school. Last year, when Howard was in the kindergarten, his teacher noticed that Howard's behavior was changing. She and I talked about this several times. Some of the changes or problems he was experiencing are personal and for Howard's sake I will not share them. He did become more aggressive towards his peers. I cannot begin to tell you how lucky we were to have such a sensitive teacher. She was able to get Howard to share some of his feelings with her and in turn was better able to help him. This was the first time I became aware that this crisis in our family was having an affect on the children.

While Robert was in treatment, I was invited to go to a family conference at the center. This conference proved to be one the most helpful things, not only in learning what I could do to help myself deal with Robert's drinking, but also in helping me to understand the importance fo allowing the children to share their feelings. The children talked a good bit about what was happening to our family and how we felt about things. Howard seemed to have a great explanation of where his daddy was. He shared with his class that "his daddy had gone someplace and when he came back he would be a better person." Howard was exactly right. When Robert returned from treatment he was a better person. He seemed to be more in control of his life instead of letting the events control him.

In August 1985 we decided to move to Metter. The farm had been sold and the new owner was planning some major changes in the farm. Howard and Mariann seemed to be very excited about moving to town. When we began to pack and they realized that we were not going to be able to take the animals, the treehouse, or the pond with us, the children began to change their minds. Howard said that he did not want to move. The cover page of this report is a picture Howard drew at school just after we moved to town. We actually moved the week before school started. Howard seemed to have a little trouble getting started. He did seem to have his mind on school (as much as a first grader can have his mind on school). Some of the problems he had in kindergarten began to surface again. I first thought that it was school but now I really believe that he was trying in how own way to adjust to the move. Howard's first grade teacher has the students write in a journal several times a week. She gives them a topic and ask them to write on the topic she has suggested. The purpose of the journal is to get the students to learn to express themselves more. On one particular day in December Mrs. Lane gave the students the topic "If I had a million dollars I would——". A copy of Howard's reaction to this topic is incuded in this report. In case you may have trouble reading "first grade spelling,". I will interpret the journal entry for you. "I would take it and buy my daddy a jeep. With the money left (a) survival knife—nine dollars—I would buy the farm from the F.H.A.

We are adjusting and coping with the changes through the Grace of God. My sister owned a lovely "wooden" house in Metter. The people who were renting it moved out in August and that made it possible for us to move into that house. I'm not sure that we would be able to pay rent anywhere else. We had to borrow $2,500 to pay income tax last year. This was due to the fact the Fm.H.A. sold our equipment and the money was applied to our loan. I still do not understand why we had to pay income tax on equipment that was not ours. It seems very unfair to me. In December we received a letter from the Fm.H.A. that we still owed them $16,700.51. How could this be? They have everything we had. These are two items that I do not know how to cope with. Maybe you could help us.

I look back on all of this and I get sick feeling. However, I do thank God that we had a chance to live in the country and farm for a while, even if we are still suffering from the attempt to be farmers. With God's help we will get through all of this.

Someday I would like to move back to the country. We definitely will not try to make a "living" at farming again, but I would like to try to recapture some of that "way of life" I love so much.

Thank you all again for caring about the farmer and his family.

Do you have lots of pets on your farm?

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and Brai

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Chairman **Miller**. Thank you very much, Polly, for sharing that with us.

We have tried, over the years that this committee has been in existence, to talk to families with children so that they can break down some of the distance between those of us who make policies in this country and families to see if we can bring away a little better understanding.

I think it is pretty clear that your testimony is quite strong, and we appreciate that.

Howard, we really thank you for sticking with us too this morning. Do you have anything you would like to say to us?

Master **Porter**. I just want to say something. The first word I ever said was helping the tractor, was buddddddding—

Chairman **Miller**. That is it, Howard? That is the word of wisdom to us?

Well, you have been great, you and your sister, Mariann. I would think about how much courage your family has shown. I think your husband, Robert, to have taken the steps he has taken, has shown real courage. You either read about or many of the Members have experienced in their own districts, families caught in many of these same hardships that were not able to make some of those positive steps for one reason or another, and have suffered a much greater breakdown as a result.

I think you are to be commended, Robert, and I want to thank you for being here this morning. I am sure listening to this testimony is not the easiest thing you have done, but I think you may also hold out a lesson of some strength and some decisions that others are going to have to make. Perhaps your story will help them. We are bombarded daily with the tragedies of families. It is an interesting concept. Many go out and do everything that you are supposed to do in America. You borrow money and you work hard and you make an effort at it and it does not work. Very often the determination is that that family or that person or that farmer has failed, and we kind of walk away from you. I am delighted that you are able to be here. It will lend some strength, I am sure, to some of your neighbors and others and certainly people in this area that have gone through some of those same difficulties.

So thanks, from myself and from the committee.

Mr. **Coats**. I think you have stated it very well, Mr. Chairman. I also want to thank this family for coming here and being willing to share their experiences with us. It helps, as the chairman said, to personalize the statistics. We look at the broad, grand numbers, but we need to also be very sensitive that each one of those numbers represents a real life situation. I think it was presented very well and I want to thank Robert particularly for his patience in enduring with us this morning.

Chairman **Miller**. Mr. Rowland.

Mr. **Rowland**. I would like to express my appreciation for your coming and sharing a very personal part of your life with us.

Chairman **Miller**. Mr. Levin.

Mr. **Levin**. I very much agree with your sentiments. It is not easy to listen and it is much more difficult to testify, and I appreciate your letting us share your experiences.

Chairman **Miller**. Thank you all.

Listen, Howard, you take the rest of the day off. You do not have to go to school. If you want a note, we will get you one. Somewhere in this auditorium there is a note waiting for you.

Mark, we will start with you now.

STATEMENT OF MARK L. AKERS, DIRECTOR, INDUSTRIAL DEVELOPMENT, STATE OF INDIANA, DEPARTMENT OF COMMERCE, INDIANAPOLIS, IN

Mr. **Akers.** What I want to talk about briefly is a program that we developed in the State of Indiana to help communities of all sizes, as it turns out, to organize themselves and to be ready to attract industrial investment and other kinds of investments, as it turns out, into their communities in ways that provide jobs.

My testimony before us is in written form. I will refer to it briefly, but I want to give a quick setting.

There are reasons why it was developed this way. The State of Indiana constitution prohibits debt, and so we have no State debt in Indiana other than some revenue bonds that are paid off for university dormitories, and those kinds of things, but there is no general obligation debt at the State level in Indiana.

Therefore, we are not a well-off State from a financial standpoint so we do not have the ability to come up with a lot of programs that are going to cost a lot of money. So the feature of this particular program that is attractive to us is the fact that there are no State funds or public funds involved in this administration other than the fact that there are a few of us that happen to work on the program.

We call this program the Registered Cities and Towns Program. What it does in a brief description and the way it is organized is that it requires the communities of all sizes, whoever wants to get involved in it, to organize themselves in any form that they wish. In that organization they identify people within their community who can respond to companies, respond to, as it turns out, other portions of the community in their areas of expertise, whether it is water, sewer, roads, schools, fire, police, any source of data or information that they may require at any given time.

It also assigns specific responsibility to these people to provide services to companies or to potential investors in the community as those needs arise. It also requires the community to gather what is probably an unreasonable amount of information about themselves in all these various areas using the expertise of the people in those communities and drawing on other resource in the community.

As a result of gathering that information, it also encourages them to fix what is wrong with the community that they find through the gathering of information, and it also encourages them to build on the strengths that they also find in the gathering of that information and then, of course, the idea is to get the word out that these things exist, and so there are programs that encourage them and help them promote themselves to the outside world so that other investors outside the community know that they have these assets.

We have a fund at the State level, a small fund of money that we will use to match local expenditures in developing promotional materials, advertising and entire marketing program, not just the materials themselves.

The result of this has so far been very encouraging in that we now have about 230 registered communities around the State, ranging in population size from about 200 up to Indianapolis, whose population is about a million. What has happened in the process is that these communities have really come alive in many different ways.

One, the ability of people at the local level to handle complex, competitive industrial projects has increased and, along with it, the probability of success of those types of projects. Right now there are more communities involved in these processes than are actually registered, but now approximately 300 communities are actively participating in advertising, market programs, making trips to call on companies and becoming very knowledgeable in the area of public relations and publicity, and those types of things.

In the 5 years this program has been in existence, through the end of March, there are 478 companies that had located in these communities providing 58,374 jobs. Now that only counts the communities, that only counts the metro projects that we have worked with at the State level and in our program. That does not count what local realtors and developers have been doing and local chambers or companies not using our assistance.

In a survey about a year and a half ago we found probably at least twice this number of companies doing things without our assistance as are doing things with our assistance.

Currently, the unemployment rate for 1985 in Indiana was about 1 percent lower than the surrounding States, even though our economies are similar in many ways to the surrounding States from an industrial point of view. At one point we were 2 full percentage points below the surrounding States, and the most recent data released just last week, Indiana's unemployment rate for the month of March fell 2 whole percentage points from the previous month, and so far this year in those communities, on an average, we have had a new location or expansion of a company every 1.8 business days.

Most of those things are in the testimony in a little more detail, but I wanted to touch briefly on the larger policy issue that is involved here. Competition for industrial development between States is becoming very, very intense, and what that means and what that translates into is very expensive.

In Indiana's case we have a good set of independent programs and good organization that is very competitive so far, but I can see the day when these things are going to become so expensive that from a public policy standpoint it is going to be really tough for us to continue competing at the same level that we are now competing.

The other issue that I wanted to touch on briefly that will come to a point here is that in the incentive package competition between States and communities that are in an industrial development project, what tends to happen is because each community technically can meet the requirements that company has and the incentive programs that are put together oftentimes will offset each other because of the competitive nature of the situation.

What generally ends up making the decision are those intangibles that measure the ability of the local community to make that company happy. Sometimes you cannot measure those things. Is it a nice place to live; what about the school system; do they have a good parks and education system. Those things just make it a nice place to live, and are intangible.

In this whole process we are talking about a product development phase because once incentives are either matched by the competition or they no longer exist because they are too expensive from a public policy standpoint, the only thing you have left to sell is the product. Because of our State Constitution, the way we have handled things, our taxes and workmen's compensation and unemployment compensation and all those different things that are involved in the cost of doing business, those things are low relative to other States, but what we want to do is to make sure that those products that we develop are very competitive from that standpoint.

Since people do not locate in Indiana, they locate in someplace in Indiana, it is important that those local communities are developed to the point that they can be.

We have a product development from a State standpoint that I will not get into at this point, but this one turns that program into a local program of product development for their local communities. I guess it has created in some ways a happiness problem for us because our State organization is small.

We have 300 or so communities out there fired up. They do not just sit around and wait once they have done all this work. They go out and do something with it and they tend to involve us in many of their plans, and that causes us an interesting time problem because we are also dealing with companies who are coming in as well as the communities as we reach out, and it is a real happiness problem for us.

But the philosophy stems from two basic truisms, I guess. The communities wait for growth to happen for them. Whatever is going to happen is going to happen fast, and what we have done with this program has increased the probabilities of success.

I will close briefly with a story, being an alumnus of Indiana University, I cannot go without telling a story of what happened to me when I was in school there.

A marketing professor told us about a study that they had done where they had sent students out to knock on doors around the Bloomington, Indiana area. This was in the late 1960's, so you have to understand what students were like back then.

These students were not given any special training, no particular programs. We were just supposed to knock on residential doors and when somebody came to the door they were supposed to say, "You do not want to buy any life insurance, do you?" Well, one out of seven said yes. That tells me two things.

It tells me, one, that even with the worst presentation you can make, if you just get up off your backside, if you go out knocking on doors or go marketing yourself you are liable to find a market for your product. We have increased the probability for that because these communities are doing worse than the worst presentations, or better than the worst presentation we could make.

The other thing it tells me is that none of those people said yes, none of those people who said yes bought any insurance because that person standing in front of them did not represent a company, they did not have a program.

What we are doing is providing a community with a program, not only from the State level through the incentives and all the other things that we do at our level, but also giving them the capabilities of development programs at the local level that in essence turn out to be very low in cost and very effective programs.

Thank you, Mr. Chairman.

[Prepared statement of Mark L. Akers follows:]

PREPARED STATEMENT OF MARK L. AKERS, DIRECTOR, INDUSTRIAL DEVELOPMENT DIVISION, INDIANA DEPARTMENT OF COMMERCE

A major positive force in holding families together or making a success of single partner families is a job. In areas where jobs are scarce, there is often a downward spiral operating that takes money, jobs and people out.

We faced that problem in January, 1981 in Indiana. Unemployment was rising to levels well into double digits and resting at 20 - 30 percent in several areas. Our heavy dependence on autos, steel and home appliances was devastating Indiana and its neighboring states.

To protect existing jobs and attract new investment, we put together a program that is now in its fifth year and is aimed at small to medium sized business. We developed incentive programs and reorganize most state agencies to respond to business needs. We pulled together a very professional staff and increased the funding of the Department of Commerce.

All of this is important, but investments are not made in Indiana - they are made in some place in Indiana. The key to our whole program was a plan to organize, train and motivate local communities. We call the program the Registered Cities and Towns Program.

This program does a number of things:

1. Requires a community to form an organization (any form they want) and identify people who will respond to companies' needs and requests in their areas of expertise - water, sewer, schools, transportation, housing, labor, etc.

2. It requires them to gather data and information about their community in a standardized format. The information is detailed and covers issues most businesses will ask about in the location/expansion process. This information is filed with the state and given to anybody who is looking for a site with the characteristics that community possesses.

3. It encourages the community to look at the information gathered and try to correct problems they see and to build on strengths.

4. It encourages them to market their community by providing a matching fund for promotional materials and advertising. We encourage them to organise trips to call on companies. State development officials often help in the planning of these trips and travel with the community to help make the calls.

The response to the program has been very strong and more than 230

Indiana communities are now registered, ranging in population from 200 to 1,000,000.

What happened in the process was that the communities came alive. They had a project that was meaningful, involved a wide range of people and would at least lead to a plan of action to improve the community and at most would help attract and retain investment. And best of all, it was free.

The results have been encouraging.

1. The abilty of people at the local level to handle complex competitive industrial projects increased, and along with it, the probability of success.

2. Approximately 300 communities are advertising, making trips and increasing their knowledge in areas of publicity and public relations.

3. In five years, 478 companies have located or expanded in these communities creating 58,374 jobs.

4. Unemployment rate in Indiana for 1985 was one percent lower than the nearest rate in surrounding states. At one point, we were a full two percentage points better.

So far this year, a company has committed to locate or expand in these communities every 1.3 business days.

Examples of successful programs include Fort Wayne where unemployment rates were above 15% after International Harvestor pulled out in 1982. Today the unemployment rate is below 7% and General Motors is building a $500 million assembly plant southwest of the city. Burlington Northern Air Freight has established a world hub for its air cargo service turning Fort Wayne's airport into a major air facility with international routes soon developing. Small towns of less than 1,000 people such as Hamilton, Orland, Freemont, Ashley/Hudson and Ligonier have each had two or more major investments in their communities. Foreign investments have come to Columbus, Shelbyville, Greenwood and Richmond. Each of these communities actively participate in the Registered Cities and Towns Program.
There are many more examples.

New challenges face our communities. Pending federal cutbacks in revenue sharing, community development block grants, EPA and FAA funding will put special pressure on Indiana and its cities since our state laws severly limit public borrowing. But the growth in investment and population we're experiencing requires new roads, water and sewer lines, schools, etc. Funds will be short.

The bright side of it is that we now have organized, experienced communities, with new-found talents from more involved people to work through these challenges. I'd be willing to bet an autographed picture of Bobby Knight that we will lead the Midwest in economic development through these times because more of our people's minds are being freed to work on the solutions for tomorrow. The family has a better chance for survival and success in that kind of environment.

Chairman MILLER. Thank you, Mr. Akers.
Mr. Ikerd.

STATEMENT OF JOHN E. IKERD, PHD., DEPARTMENT HEAD, PROFESSOR, AGRICULTURAL ECONOMICS DEPARTMENT, COOPERATIVE EXTENSION SERVICE, UNIVERSITY OF GEORGIA, ATHENS, GA

Dr. IKERD. I appreciate this opportunity to testify before the Select Committee on Children, Youth, and Families. My testimony will regard the financial crisis in agriculture and its impact on the family farm. I will attempt to keep these remarks as direct and straightforward as possible in presenting what I perceive to be an economic overview of the agricultural economy of the United States and Georgia at this time.

I will use a minimum of statistics and generalize to the maximum extent possible in an attempt to simplify what is an admittedly complex issue. First, I will identify some of the factors which have contributed to the current farm financial crisis. Next, I will outline some of the significant characteristics of the current financial situation that farm families are facing. Finally, I will attempt to draw some conclusions regarding the implication for farm families in the future.

First, the farm financial crisis of the 1980's is rooted in the period of farm prosperity that began back in the early 1970's. This early period of prosperity was supported by growing export markets for U.S. agricultural commodities. The real value of U.S. agricultural exports more than tripled between 1970 and 1980. By the end of the decade more than one out of every 3 acres of crop land was producing for export markets and more than one out of every $4 of farm income, including livestock, was paid for by foreign buyers.

The higher prices and the greater profits resulting from growing export markets spurred the expansion of U.S. agricultural production capacity during the 1970's. This expansion resulted in higher land prices and greater reliance on debt financing as farmers were competing for scarce resources to supply this profitable market.

The optimism of farmers was shared by agricultural lenders who willingly accepted this high-valued agricultural land as collateral for their rapidly increasing farm debts. These factors left the U.S. farmer vulnerable then to the adverse economic impact with the partial loss of those export markets as we came into the 1980's.

The farm financial crises of the 1980's stem primarily from factors beyond the control of the individual farmer. Some farmers undoubtedly made unwise decisions in the 1970's, but most made decisions that were consistent with the best information available to them at that particular time. However, an abrupt and unexpected change in U.S. and world economic conditions transformed the farming boom of the 1970's into the financial crisis of the 1980's.

The economic policies designed to combat inflation caused inflation rates to fall much faster than did interest rates, and the result was a sharp rise in the value of the dollar relative to other currencies around the world. The end result of this was a rise in the cost of U.S. agricultural commodites in terms of those foreign currencies which caused the foreign buyers who had been buying our exports to seek other lower cost sources of supply. The value of a dollar rose more than 50 percent, relative to other countries, and the real value of agricultural exports dropped by one-third between 1980 and 1985.

Farm wealth, as reflected in the value of land and other farm assets, had more than tripled between 1970 and 1980, but land prices turned down in 1981 and had dropped by 19 percent nationwide by 1985. This is by far the largest drop in land prices since the 1930's. Farm equity in total dropped by nearly $183 billion, or about 20 percent between 1980 and 1985.

Total farm debt had tripled also between 1970 and 1980. The faltering export markets in the early 1980's left cash receipts of many farmers well below those needed to service the large debts that they had carried over from the 1970's. Declining land prices and shrinking farm equity has left farmers unable to meet the cash flow commitments or needs through additional borrowing, and the end result of the low commodity prices, the large debts, the inability to borrow is the financial crisis in U.S. agriculture.

The financial problems in U.S. agriculture are widespread but they are not evenly distributed among all types of farms, all areas of the country, or even among all areas within a given State.

Farms with sales between $50,000 and $500,000 per year for the most part are full-time family farming operations. These family size farms account for less than a third of all farms and about half of all farm sales, but these farms owed nearly two-thirds of all farm debt in the 1985 USDA survey. About one-third of these family size farms, which make up about one-ninth of all farms, owe about one-half of all farm debt.

The large proportion of these farms are now unable to meet their debt commitments. Negative cash flow, coupled with declining land values, have left many of these farmers with little prospect for survival in the future.

On the other hand, nearly one-half of all farms have been found to have little, if any, long-term debt, in numerous surveys by USDA and other private agencies. This implies a sharp contrast between the one-ninth of all farms on the verge of bankruptcy and the one-half of all farms who face little real threat to survival even if they are not particularly profitable.

The farm crisis also differs in severity among different areas of the country. Farmland prices in the Corn Belt States, for example, are down about 44 percent compared with a 19-percent drop in land prices nationally. A similar contrast exists within the State of Georgia. Unofficial farm credit agency estimates indicate that farm land prices in south Georgia have dropped from 30 to 50 percent since 1981. Those same estimates of farmland prices indicate that in north Georgia, farmland prices, have dropped little, if any, during this same period of time.

The farm financial problems of the familes in south Georgia are likely or at least as severe as those that some of you have seen in the Corn Belt. South Georgia is highly dependent on row crop agriculture, the type that was hurt most by the loss of the export markets. South Georgia farmers are also mostly commercial size family operations, the type that have had the greatest difficulty in serving their large debts.

North Georgia, on the other hand, is much less dependent on agriculture than on commercial and residential development, supported by the growing Atlanta and other Sun Belt factors. North Georgia agriculture is dominated by poultry operations which have remained relatively profitable and by small part-time farming operations which can be subsidized by off-farm income during periods of financial stress.

It is understandable then that the plight of south Georgia farmers might not be fully appreciated by those in north Georgia, and the north Georgia interests carry considerable weight in industrial, institutional, and Government spheres of influence.

The worst of the financial squeeze in U.S. agriculture is likely in the past, rather than in the future, but that is just my opinion. The value of the dollar dropped during 1985, reducing the cost of U.S. commodities to world buyers. Lower loan prices in the 1985 farm bill will allow U.S. commodity prices to drop to more competitive world market levels as stable target prices in the 1985 farm bill provide some price protection for U.S. commodity producers who are eligible for those programs, and lower interest rates and energy prices have moderated increases in farm input cost.

However, the crisis is far from over. It will take years, rather than months, to displace competitors who have replaced the United States in world markets even with lower prices and a weaker dollar.

U.S. farmers have the capacity and the commitment to produce far more than can be sold on domestic markets at a profitable price. A significant financial recovery in agriculture is still likely 3 to 4 years in the future. Taxpayers likely will not continue to support a $20 billion plus annual Federal budget outlay for farm programs for that long.

Roughly a third of the full-time family farms in the United States and Georgia have little chance of surviving the current financial crisis. Some of these farms will become part-time farming operations, others will be consolidated into larger family farms, a few will be taken over by large corporations. Regardless of the ultimate outcome, each full-time family farm that ceases to exist requires a series of difficult and painful decisions on the part of the affected farm family. Somewhere between 5,000 and 10,000 Georgia farm families will go through this transition process within the next 5 years.

We all need help at times. Many farm families need help right now, they need help in understanding the nature of the problem so they can quit blaming themselves and can face the financial difficulties objectively. They need help in evaluating their economic alternatives and in making adjustments that are necessary to cope with the current adverse economic climate in agriculture.

We in the Georgia Cooperative Extension Service are addressing these issues and, as President Lick said, we could do some other things but not with a 60-percent Federal budget cut and not with a budget that goes forward saying that we cannot work with anybody except farmers on direct farm problems. We do basically what we have the resources to do and what we have the mandate to do.

I would like to stress that we as a country, a State, and a society will gain also by helping make that necessary transition as quickly, efficiently and painlessly as possible for those families who are facing unavoidable change.

Thank you, Mr. Chairman.

[Prepared statement of John E. Ikerd follows:]

PREPARED STATEMENT OF JOHN E. IKERD, PH.D., PROFESSOR, AGRICULTURAL ECONOMICS, UNIVERSITY OF GEORGIA

I appreciate this opportunity to testify before the Select Committee on Children, Youth and Families regarding the financial crisis in agriculture and its impact on farm families. I will attempt to keep my initial remarks as direct and straight forward as possible in presenting an economic overview of the agricultural economy in the U.S and in Georgia.

I will use a minimum of statistics and will generalize to the maximum extent possible in an attempt to simplify an admittedly complex issue. First, I will identify some major factors which have contributed to the current farm financial crisis, next I will outline some of the more significant characteristics of the current financial situation of family farms and finally I will attempt to draw some conclusions concerning implications for farm families in the future.

The farm financial crisis of the 1980s is rooted in a period of farm prosperity which began in the early 1970s. This earlier period of prosperity was supported by growing export markets for U.S. agricultural commodities. The real value of U.S. agricultural exports more than tripled between 1970 and 1980. By the end of the decade more than one-out-of-each-three acres of crop land was producing for export markets and more than one-out-of-each-four dollars in farm sales, including livestock, was paid for by foreign buyers.

Higher prices and greater profits resulting from growing export markets spurred expansion of U.S. agricultural production capacity during the 1970s. This expansion resulted in higher land prices and greater reliance on debt financing as farmers competed for scarce resources to supply profitable world markets. The optimism of farmers was shared by agricultural lenders who willingly accepted high valued agricultural land as collateral for rapidly increasing farm debts. These factors left U.S. farmers vulnerable to adverse economic impacts from a partial loss of export markets in the 1980s.

The farm financial crisis of the 1980s stem primarily from factors beyond the control of individual farmers. Some farmers made unwise decisions in the 1970s, but most made decisions consistent with the best information available at the time. However, an abrupt and unexpected change in U.S. and world economic conditions tranformed the farming boom of the 1970s into the farm financial crisis of the 1980s.

Economic policies designed to combat inflation caused inflation rates to fall much faster than interest rates and resulted in a sharp rise in the value of the dollar relative to other currencies around the world. The end result was a rise in the "cost" of U.S. commodities in terms of foreign currencies which caused foreign buyers to seek other lower cost source of supply. The value of the dollar rose more than 50 percent relative to other currencies, and the real value of U.S. exports dropped by more than one-third between 1980 and 1985.

Farm wealth, as reflected in values of land and other assets, had more than tripled beween 1970 and 1980. But, land prices turned down in 1981 had dropped by 19 percent nationally by 1985. This is by far the largest drop in farm land prices since the 1930s. Farm equity in total dropped by nearly 183 billion, about 20 percent, between 1980 and 1985.

Total farm debt tripled also between 1970 and 1980. Faltering export markets in the early 1980s left cash receipts of many farmers well below those needed to service large debts carried over from the 1970s. Declining land prices and shrinking farm equity have left farmers unable to meet their cash flow needs through additional borrowing. The end result is a financial crisis for U.S. agriculture.

Financial problems in U.S. agriculture are wide spread but are not evenly distributed among all types of farms, all areas of the country or even among all areas within any given state. Farms with sales between $50,000 and $500,000 per year, for the most part, are full-time, family farms. These family-sized farms accounted for less than one-third of all farms and one-half of all farm sales but owed nearly two-thirds of all farm debt in a 1985 USDA survey.

About one third of these family-sized farms, about one-ninth of all farms, owe about one-half of all farm debt. A large proportion of these farms are now unable to meet their debt commitments. Negative cash flows coupled with declining land values have left many of these farms with little prospect for survival in the future. On the other hand, nearly one-half of all farms have been found to have little if any long term debt in numerous surveys by USDA and other private agencies. This implies a sharp contrast between the one-ninth of all farms on the verge of forced liquidation and the one-half of all farms which face little real threat to survival, even if they are not highly profitable.

The farm crisis also differs in severity among different areas of the country. Farm land prices in the Corn Belt states, for example, are down an average of 44 percent compared with the 19 percent drop in land prices nationally. A similar contrast exists even within the state of Georgia. Unofficial farm credit agency estimates indicate that farm land prices in south Georgia have dropped by 30 to 50 percent since 1981. The same estimates indicate that farm land prices in most areas of north Georiga have dropped little if any during the same period. Farm financial problems of families in south Georgia are likely at least as severe as those in the Corn Belt.

South Georgia is highly dependent on row crop agriculture, the type of agriculture hurt most by loss of export markets. South Georgia farmers also are mostly commercial-sized family farming operations, the type typically having the greatest difficulty servicing current debt loads. North Georgia, on the other hand, is much less dependent on agriculture than on commercial and residential development supported by a growing Atlanta and other Sun-Belt related factors. North Georgia agriculture is dominated by poultry operations, which have remained relatively profitable, and by small, part-time farms which can be subsidized by off-farm income during periods of financial stress.

It is understandable that the plight of south Georgia farmers might not be fully appreciated by those in north Georgia. And, north Georgia interests carry considerable weight in industrial, institutional and governmental spheres of influence.

The worst of the current financial squeeze in U.S. agriculture is likely in the past rather than the future. The value of the dollar dropped during 1985 reducing costs of U.S commodities to world buyers. Lower loan prices in the 1985 farm bill will allow U.S. commodity prices to drop to more competitive world market levels. Stable target prices in the 1985 bill will provide price protection for U.S. crop producers who are eligible for farm programs. Lower interest rates and energy prices have moderated increases in farm input costs.

However, the crisis is far from over. It will take years rather than months to displace competitors who have replaced the U.S. in world markets, even with lower prices and a weaker dollar. And, U.S. farmers still have the capacity and the commitment to produce far more than can be sold on domestic markets at profitable prices. A significant financial recovery in agriculture is likely still three to four years in the future. Tax payers likely will not continue to support $20 billion plus annual federal budget outlays for farm programs for that long.

Roughly one-third of the full-time, family farms in the U.S. and in Georgia have little chance of surviving the current financial crisis. Some of these farms will become part-time, family farming operations. Others will be consolidated into larger family farming operations. A few may be taken over by large corporate farming interests. But regardless of ultimate outcome, each full-time, family farm that ceases to exist requires a series of difficult and painful decisions on the part of the affected farm family. Somewhere between 5,000 and 10,000 Georgia farm families may go through this transition process within the next five years.

We all need help at times. Many farm families need help now. They need help in understanding the nature of their problems so they can quit blaming themselves and can face their financial difficulties objectively. They need help in evaluating their economic alternatives and in making the adjustments that are necessary to cope with the current adverse economic climate in agriculture. We as a country, a state and a society will gain also by helping make the necessary transitions as quick, as efficient and as painless as possible for those farm families who are facing unavoidable change.

Chairman **Miller**. Thank you very much, Dr. Ikerd.

Dr. Barranti, you may proceed.

STATEMENT OF DR. CHRYSTAL BARRANTI, EXTENSION HOME ECONOMIST, HUMAN DEVELOPMENT DEPARTMENT, COOPERATIVE EXTENSION SERVICE, UNIVERSITY OF GEORGIA, ATHENS, GA

Dr. **Barranti**. Thank you, Mr. Chairman.

What I would like to do is talk a little bit about the nature of farm families, because I believe they are a unique population, and then talk about how I see, or how we see in Georgia and actually, in other parts of the country the farm crisis affecting farm families, and then to talk a little bit about what we are doing here in Georgia to deal with that.

First of all, to have a good understanding of what losing a farm means to farm families, it is necessary to realize that farm families are indeed a very unique population. They are involved in a business that bonds them to their land. Farming, indeed, is more than just a job and it is more than just an occupation. It is a way of life and it is really a way of living.

I think that this is an important point to realize when you talk about and think about farm families. It is also a very important part of the individual's self-identity. Being a farmer, being a farm child is a part of one's self-identity, and it is a part of the family identity as well. Perhaps most importantly for many farmers and farm families, being a farmer involves a generational trust of the land, and for some this generational trust goes back beyond the turn of the century. It is not uncommon to have century farms in Georgia and in other places.

It is also important to realize that farm families, by their very nature, are strong, independent, self-reliant people. And while this is a very good set of characteristics to own, it can really cause problems when a person, or a family is faced with a crisis, because it makes it more difficult to reach out during the time the family does need to reach out.

I think it is important also to realize that farm families also exhibit the American work ethic, probably at its best and at its strongest. Sometimes, you know, with our romantic view of farming, you tend to think of a laid back, easy going life and that is definitely not the case. You heard that from Polly, too, they had two off-farm jobs as well as the ones on the farm.

OK. So what do we see when we have a farm loss? What we see is this loss of a way of life and we see a loss of self, as well as a family identity, and a family tradition. And for some we see a breaking of a generational trust of the land.

What we mean by that is a breaking of the trust by the current holders of the land from the past generation, and the breaking of the trust in terms of passing that land on to future generations. We have a very proud and self-reliant people who are not accustomed to reaching out for help in crisis situations.

What we know from research on job loss in general, is that unemployment causes measurable psychological and physical changes in people, in all members of the family. You have, for example, just to name a few, we have increases in anxiety, depression, hostility, high blood pressure, heart disease, and in fact mortality rates increase. In addition, we have increases in substance abuse, family violence and suicide, and we have had that in Georgia, and we see it coming.

In addition to these general effects of job loss on farm families, we find that farm families experience the loss of a farm in a very similar way that people experience the loss of a significant other. And by that we mean that farm families are thrown into the grief process. They go through the grief phases of denial, intense emotion, withdrawal, depression, and hopefully, finally, acceptance, and then recovery to a meaningful life. This recovery can for some be very long and painful.

Some researchers out in the Midwest who have been working with farmers, looking at farm families experiencing farm loss, have found that it can go from 8 to 10 years, depending on the severity of the loss.

Along with general depression, we see intense suffering and guilt, which tends to erode away self-esteem, self-confidence of the adult family members. The impact of this on marital relationships and on parent-child relationships is high.

Children and youth of farm families are not immune from the negative effects. They too grieve the loss of a way of life, and the loss of a family way of life in particular. They have worked together side by side with Mom and Dad, they themselves have invested in the farm and some have looked at it as their future. So the loss of a farm is the loss of their future and who they were to become.

The stress and strain of going through the loss of a farm for children has caused fear and worry, loss of a sense of security, and for some a loss of a sense of confidence in their own parents who are losing the farm. We find young children who believe that if only they had worked harder, and done their chores, their families would still be on the farm.

Young children tend to look at things with themselves as the center of the problem. So we find young children who think that if they could have done their chores more often, and harder, they would still be on the farm.

Other children react to stress by becoming behavior problems at school, perhaps doing less well in their work there, become depressed or even physically ill. And, of course, the potential for suicide is definitely a response. While we do not have facts for Georgia, we do see this in the Midwest where the farm crisis is very severe.

In our hardest hit communities we can find a general sense of desperation and perhaps even despair. Farm families experiencing loss withdraw from community participation, financially they are unable to participate by making purchases, and for most they have to leave the community to find employment, especially if they are losing a farm in south Georgia.

In some communities, also, because of a lack of understanding of what brought about the farm crisis, there tends to be a tendency to blame the victim, to blame the farmer and the farm family for the farm loss, and we find that this tends to increase feelings of self-blame and also feelings of depression and withdrawal.

So what can we say in general? It seems trite to say that times definitely are hard down on the farm. They are especially hard for families who are losing a way of life and a way of living together. I believe the task at hand for us is to try to make this transition out of farming as painless as possible.

And what do we need to do to do that? We need programs to help families deal with stress. We need to make available to them mental health professionals of which, through budget cuts, there are few.

We need to be able to present educational opportunities to help families deal with the stress, to look at their strengths and build on their strengths.

We especially need job training and retraining opportunities for farm families, for husbands and for wives.

There are also older farmers who are losing their farms in their late 50's and even in their 60's. We need to do something to address that problem as well, because they are losing their retirements and their homes and their past and their future.

We are also trying to address the problem by helping those who work with distressed farm families deal with the stress of that. We know from research that bankers and lenders and others who work with farm families are under an incredible amount of stress. That affects their quality of life and in turn their family's quality of life.

To sum up, I really believe that we are faced with a significant responsibility as we consider the current crisis in agriculture and its impact on not just farm families but the rural community.

I am pleased that we are here talking about it.

Thank you, Mr. Chairman.

[Prepared statement of Chrystal Ramirez Barranti, Ph.D., follows:]

PREPARED STATEMENT OF CHRYSTAL RAMIREZ BARRANTI, PH.D., HUMAN DEVELOPMENT SPECIALIST, UNIVERSITY OF GEORGIA COOPERATIVE EXTENSION SERVICE, ATHENS, GA

I appreciate this opportunity to testify before the honorable members of the Select Committee on Children, Youth, and Families about the farm crisis and the impact this crisis is having on the children, youth, and families of Georgia. My name is Chrystal Barranti and I am a State Human Development Specialist with the University of Georgia Cooperative Extension Service. In recent months the primary focus of my responsibilities has been distressed farm families. Kindly allow me to share with you what we have learned about the effects that this agricultural crisis is having on people's lives in Georgia.

To have a good understanding of what losing a farm means to farm families it is necessary to realize that farm families are a unique population involved in a business that bonds them to their land. Farming is more than just a job, more than an occupation. It is a way of life, a family and community tradition. Being a farmer is a significant component of individual self identity and total family identity. In addition, and perhaps most significantly, farming for many involves a generational trust of the land spanning many decades that for some reach back before the turn of the this century.

Farm families by their very nature come by several significant characteristics that help make them who they are. These families are especially independent, proud, and self-reliant. And the American work ethic is perhaps found at its best and at its strongest among farmers.

What we see when we have family farm loss is a loss of a way of life, a loss of self and family identity, and most painfully, a breaking of a generational trust of the land. We see very proud and self-reliant people who are not accustomed to reaching out for help in financial and personal crisis.

More specifically, we know from research on job loss that loss of employment causes measurable psychological and physical changes. For example, increases in anxiety, depression, hostility, high blood pressure, cardiovascular disease, and mortality rates have been linked with unemployment. And increases in substance abuse, family violence, and suicide have been found as well. We can expect to see these effects among farm families who are being forced off the farm. And we are seeing them.

In addition to the general effects of job loss we are finding that farm families experience the loss of the farm in a very similar way that individuals experience the death of a significant other. Members of farm families experience the grief cycle phases of denial, intense emotion, depression and withdrawal, as they try to recover a meaningful life. And the process to recovery may be long and painful for the entire family.

Along with depression can come intense self-blame and guilt which erodes the self-esteem and self-confidence of adult familiy members. This has a definite impact on marital relationships and on parent-child relationships.

Children and youth of farm families are not immune from the negative impact of family farm loss. They too grieve the loss of a way of life, the loss of a way of family life in particular, a family life where they worked side by side with mom and dad. For many children, the loss of the family farm is the loss of a dream and of the future.

The stress and strain of going through the loss of a farm has caused fear, worry, loss of a sense of security, and for some a loss in the confidence of parents who are losing the family farm. We find young children who believe that if only they had worked harder at their chores their families would still be on the farm. Other children are reacting to the stress by becoming behavior problems at school, doing less well in school work, becoming depressed or physically ill. And the potential for suicide as a response to loss of this nature is present among youth.

In our hardest hit communities we can find a general sense of despair. Farm families are withdrawing from community participation, are unable to make purchases from community businesses, and may be forced to leave the community entirely in search of non-farm employment. Unfortunately, in some communities a tendency to blame the victim, the farmer, intensifies the farm families' sense of loss, self-blame, and isolation.

Times are definitely hard on the farm. And they are especially tough on the families who have made farming a way of life, a way of living. And for many, the task at hand is to make it through some very tough times. This has been our focus to approach the farm crisis from a prevention model. By offering eduational workshops on stress management, successful coping and building of family strengths in tough times, we are attempting to help distressed farm families to cope positively with a very traumatic and threatening situation. More is needed however in terms of providing outreach to distressed farm families to meet such crisis situations as lack of food, lack of resources to obtain medical help, and psychological emergencies.

In addition to programs for farm families themselves, we are offering educational workshops on understanding the distressed farm family as well as stress management and successful coping for those who are working with distressed farm families. Some of these groups include lenders, ministers, teachers, and other helping agencies. The idea is to create an aware, informed, and supportive environment which will hopefully facilitate positive coping and a healthy recovery.

I believe that we are faced with a significant responsibility as we consider the current crisis in agriculture and the impact it is having and will continue to have on farm families and rural communities. I am thankful for the opportunity to share my thoughts with you as we grapple with just how to respond to the needs of families who have been our nation's farmers.

Chairman MILLER. Thank you, Dr. Barranti.
Dr. Orthner.

STATEMENT OF DENNIS ORTHNER, PH.D., DIRECTOR, CENTER FOR WORK AND FAMILY ISSUES, PROFESSOR OF FAMILY DEVELOPMENT, UNIVERSITY OF GEORGIA, ATHENS, GA

Dr. ORTHNER. As I was preparing for my testimony, I was trying to think of typical images that we have of the South. Things that came to mind were media images like "Mayberry R.F.D." and "The Waltons" on the positive side and, on the negative side "Dukes of Hazzard."

Chairman MILLER. Tobacco Road.

Dr. ORTHNER [continuing]. Tobacco Road, et cetera of the imagery in our culture about what southern rural area is like.

I spent the last year as chair of a task force at the University of Georgia looking at some of the concerns of rural communities, particularly in Georgia, but also in the southeast. We are trying to identify what are the factors that distinguish between communities that are functioning well; and those that are not functioning well; those that are adapting well to the changes, crises, and the ones that are not.

I have not been surprised to find that there are many strengths in Southern families and communities, but there are also many dilemmas that these families and communities face. Mr. Levin asked earlier about the literacy rate, for example, in Georgia. Nationally, about 10 percent of all adults are functionally illiterate but in Georgia the rate is about 25 percent statewide. In rural areas of the State, however, one of the other university task forces found that 40 to 50 percent of the adults are functionally illiterate especially in poorer Georgia counties. To put this in practical terms, we are looking at a population that may have some difficulty organizing itself in the way that was described in Indiana, for example. You have to understand, too, that in Georgia, as in much of the southeast, we are talking about rural more than farm. In Georgia only about 2 percent of our families live on farms, whereas 30 percent of our population is rural. So when we hear about families such as the one that testified earlier, a rural, nonfarm family, we must recognize that this is much more common than we might want to admit.

There is also tremendous youth flight. About 25 percent of our counties in Georgia lost population, in the last 4 years. Our counties are aging. Basically, what is happening is that young people, especially those who graduate from high school and college, are leaving and communities are left with people who are least able to make the kind of adaptations that are required in this changing economy. We now have a large number of municipalities, a large number of counties, that have very few people.

Something that has not been touched on very much in this testimony thus far is the lingering racial tensions that still exist. White interaction between blacks and whites in many rural counties in Georgia, Mississippi, Alabama, South Carolina and elsewhere are much more cordial than in the past, racial and economic inequality still limits their ability to work together to integrate and to bring about positive social change. In fact, we have an area of the South called the black belt, formerly the area of "King Cotton," where we have almost a majority of counties that have heavy black populations. These are not attracting new industries and there are a variety of reasons for that. Some of the best attempts to bring about economic changes in this area have not resulted in significant change.

What are some of the major dilemmas that our task force has uncovered? Well, one that I have alluded to already is the quality of education. I could not have timed it better, but yesterday's Atlanta Constitution headline is "Georgia's Slumbering Schools: In the Rural Reaches of the State, Poverty Leaves Its Mark." The authors of this conclude by saying:

> Public education is not equal in Georgia. The most educational and comfortable live in the suburbs where families have money and the students are motivated. In the rural countryside, most of the classes are dull. And those who graduate stay home and work, if they can find work. It is a cycle that the Quality Basic Education Act in Georgia may now be able to solve.

We have a serious problem in what was referred to earlier as amenities. Many of these counties simply lack some of the basic amenities or services that are necessary and one of the basic amenities is education. I might note that the Quality Basic Education Act Georgia, which was unanimously passed by our legislature, is seriously attempting to upgrade the quality of education, the quality of teachers, the quality of students and the quality of the high school degree. I believe that is a basic, fundamental aspect of economic development.

We must recognize that we have a dire situation at the preschool level where kids coming into the schools are not prepared. Take Head Start, for example. Only 15 percent of the children who qualify for Head Start can get into a Head Start Program in Georgia. So we have, again, a viable, good basic economic development program which simply is not able to address that need. And, of course, as Dale Lick talked about earlier, we are not anywhere near helping our young children.

Community reaction to problems is restricted, again as I said, by racial, and economic, inequality. That slows down some of the ability of the counties to react to internal or external opportunities.

The quality of services is generally poor in several counties and the gap, as was pointed out in earlier testimony between urban and rural services in Georgia is really growing. Measurable quality of life differences are becoming more substantial. In light of this it is interesting that in the southeast, in contrast to other parts of the country, a recent chamber of commerce study found that chambers in the South are not as aware of the importance of services to outside industries. This comparative study found that when you ask how important quality services are attracting new industry, what they found was that chambers in the South put services very low priority in comparison to other parts of the country. This means that even the business leadership is uninformed and unaware of the importance of services, such as education and medical care to economic development.

Family problems have already been touched on by others but not all of our rural families are as cohesive as some of the images that have been presented. Incest rates are very high in the southeast as well as family abuse, teenage pregnancy, and early marriage. What these patterns do is contribute to a cycle of poverty. We then go back to some of the same problems we had earlier.

What do we need to do? Briefly, I would say that we need to continue to support efforts in Georgia like the Quality Basic Education Act and expand that to other States. We have to see this as a statewide effort, not simply a community by community effort. The State has to get more involved and has to raise standards. We have to make some things, like a high school degree, really mean something.

We have got to develop community school programs. There have been some excellent examples in Georgia and the southeast of programs in which the business community and schools have cooperated to develop private sector initiatives within the school. I mentioned some of those in my written testimony. That is, again, an excellent place to start.

We need to look at the consolidation of local services. We have counties in this State that have very few people, too few to support a good education program. So we need to be looking at consolidating services and doing a better job just in the area of medical care.

In the area of University research, I would support efforts to have the Agricultural Extension Service increase its involvement in a lot of the areas that have been reviewed. Unfortunately as times have gotten tough, the Extension Service has focused more and more on farm problems and, specifically, the agricultural side of the Farm Program. The funds that are necessary to support families and family adaptation to some of these changes have lagged behind the need. I believe we really need to look at the priorities for extension to see whether some kind of congressional mandate should be forthcoming to increase the funds needed for the human factor side of agricultural and rural changes in the South today.

We also need to arrest capital flight. We have a major capital flight problem in the southeast in farm areas. Part of this is due to deregulation of the banking industry. The same policies that caused the closing of Greyhound bus stations in rural communities is also causing the closing of rural banks or their merger with large urban banks. This situation is causing capital to flow to urban areas and credit problems to be exploding in the rural communities of Georgia and the southeast.

Again, I thank you for the opportunity to share some of these thoughts and I look forward to the opportunity of hearing more testimony.

Chairman **Miller**. Thank you.

[Prepared statement of Dennis K. Orthner, Ph.D., follows:]

Prepared Statement of Dennis K. Orthner, Ph.D., Professor of Family Development and Director, Center for Work and Family Issues, University of Georgia, Athens, GA

Images of the southern family and community are very common in our society. Many of these images have been romanticized in our popular literature and television programs. On the positive side, we have shows like "The Waltons" or "Mayberry, R.F.D." that have presented an overly romanticized image of what southern community and family life can be like. On the negative side, we find numerous characterizations of rural community life, including the Pulitzer Prize winning novel The Grapes of Wrath and the popular T.V. show, "The Dukes of Hazzard."

Although each of these characterizations has some basis in fact they are primarily founded in fiction. Few families can live up to the ideals of the mythical Walton family and few rural communities are as chaotic as that portrayed in Hazzard County. Nevertheless, there are genuine dilemmas that rural families and rural communities face. Rural life in the South is hard and there are many abiding social and economic problems. As the economy improves, the southern states are renewing their assault on the difficulties that beset rural families and rural communities. We are only beginning, however, to identify the complexities involved in community problems and legislative, policy and program interventions to deal with those complexities are still being explored.

My testimony and this report are based upon a preliminary examination of the dilemmas facing rural communities and families in Georgia and some of the efforts that are being undertaken by the State to address these concerns. I will be drawing upon material collected as part of a Kellogg Foundation study of policy and program needs in southern communities. This study is being undertaken by the University of Georgia and includes seven Task Forces examining such issues as economics, health, natural resources, government, education, social values and norms, and community processes and institutions. In addition, this report will examine data drawn from the statistical summaries collected by the Georgia 2000 Commission and the recent compilation of the Georgia Atlas. Contributions have also been made by the Institute of Community and Area Development at the University of Georgia, an institute that supports local and regional planning efforts throughout the state of Georgia.

This testimony will focus on family and community variables that impact upon economic development in the South. I will be exploring some of the factors that contribute to, as well as inhibit, community economic development, rather than focus on economic factors solely. The contribution of this testimony will be to explore the factors that influence the operation of economic variables in community development.

Family and Community in the South

A community is only as healthy as those families of which it is composed. Strong families promote community integration while weak families rob communities of resources. Healthy communities reinforce family values and promote the development of social support networks. Weak communities foster family isolation and accentuate family stresses.

The Rural Family

Over the past several decades, there has been a gradual convergence of lifestyles and family patterns between rural and urban families (Rosenblatt & Anderson, 1981). Rural families, like their urban counterparts, are today most likely to be separate nuclear families, relatively small (although slightly larger than urban families), and include a mother who has a significant impact on a family's finances either through her farm labor or her employment (Schumm & Bollman, 1981).

Rural families are not as likely to be as close and multi-generational as they once were. The farm family itself only represents a minority of rural families today. In Georgia, for example, only thirty percent of all citizens live in rural areas and only two percent actually live on farms (Georgia 2000, 1986). The great majority of rural residents are employed in agriculture, fisheries, or forestry or they commute to their jobs in nearby urban areas. This employment pattern has influenced the breakdown of traditional extended family systems in the South. It has also caused many young people to leave the farms and rural areas to find employment in other sectors of the economy.

Youth flight from the rural south is very pervasive. Rural areas of the South are aging as many young people depart for education, training or entry level jobs and do not return to their home communities (Beale, 1978). Farming is no longer considered a viable occupational objective for many youth, so traditional community youth programs that centered around farming (eg. Future Farmers of America and 4-H) have suffered. This has resulted in a significant generation gap between many rural children and their parents and in increased stress on the rural family (Heffernan and Heffernan, 1985).

The Rural Community

During the 1970's there was a resurgence of interest in country life and a recognizable migration of people to rural communities. This trend has been reversed and we are once again seeing an overall shift toward the southern urbanization (Garnick, 1983). Between 1980 and 1983, one out of five counties in Georgia lost population. All of these counties are rural and seventeen of the thirty had no town with a population of even 2,500. This decline in population has accompanied the fragmentation of traditional kinship and friendship support networks upon which rural families have traditionally depended.

One of the major problems rural communities face is the replacement of traditional informal support systems, such as family charity, with new formal support systems, such as unemployment compensation (Blakely and Bradshaw, 1985). However, as land values and rural incomes have declined, the tax base needed to support programs such as vocational education, community mental health and the like has diminished. Thus, individual and family problems that need to be addressed, particularly during this period of farm crises, are not being addressed, let alone being resolved.

Southern rural communities are also often characterized by lingering bi-racial tensions. Relationships between blacks and whites are often cordial but vestiges of prejudice limit potential community integration. Recent research indicates that communities and counties in the "Black Belt" of the South, those counties with a majority of black populations, have a more difficult time attracting new businesses than their majority-white counterparts. Undoubtedly, some of this economic unattractiveness comes from the quality of schools and other amenities that these counties offer but the racial factor cannot be discounted, even in the mid-1980's.

Dilemmas of Rural Communities in the South

Beyond the obvious limitations of weak economic conditions, rural communities often suffer from a variety of related problems. These problems in turn make it difficult for some communities to garner economic resources or take advantage of new potential growth possibilities. The factors that usually distinguish communities with good growth potential from those that have weak growth potential are quality of education, community leadership, quality of services, community integration, and personal and family well-being.

Quality of Education

Rural communities in the South have traditionally developed comparatively poor educational systems. For example, a recent study in Georgia found that one out of four adults is functionally illiterate (Gabriel, 1986). Drop-out rates from rural schools are exceptionally high, with fewer than one out of five students graduating with a high school diploma. Even among those who complete their high school degree, inadequacies in their education appear when they seek admission to colleges and universities: the overwhelming majority of students in university developmental studies programs come from rural counties.

The role of education in community development is not completely understood. There are data, however, that indicate that business relocation decisions are positively influenced by high quality education in the prospective location (Rantz, 1985). This is particularly true for white collar and service industries that demand better educated personnel in their labor pool. Except for basic educational needs and vocational training opportunities, quality of education is less important to blue collar industries, which have traditionally been attracted to the South because of low labor costs. These industries are now moving their manufacturing operations to even lower cost, overseas locations, however, leaving many southern communities unprepared to attract high quality white collar or service industries or to develop these industries themselves.

A related problem in rural education systems is inadequate preschool programs that foster early educational skills. Rural children often enter first grade with poorer preparation for mathematical and verbal skills and less exposure to ideas and experiences that schools will later use (Cook, 1985). In Georgia, Head Start programs can only accomodate approximately 15% of the children who qualify for these programs and many parents cannot afford other public or private-sponsored programs which meet these early educational needs (Parham, 1986). In addition, inadequate preschool day care programs limit opportunities for mothers to be employed, when the economic circumstances of the family require it.

Community Leadership

The quality of leadership in rural communities in the South is uneven at best. Many mayors, sheriffs and city or county council representatives are undereducated and often uninformed about management, accounting and representational issues that they must consider when promoting community growth and well-being. Compared to their urban counterparts, these people often have fewer resources to attend state or regional meetings and, because they sometimes feel inadequate, they do not participate in educational or training opportunities which can help them in their leadership roles.

One of the problems that complicates leadership in rural communities is the tradition of plantation life that fostered the development of power elites. Thus, leadership tends to be controlled by a relatively small number of influential people who are expected to provide benefits for the community at large. However, since the tax base is so low, there are few benefits to distribute throughout the community. Also, the pay of public officials is often very low and this, no doubt, increases inducements for corruption. It is not surprising, therefore, that a relatively large number of rural community officials in Georgia have been removed from office for criminal activities.

Community Integration

Rural communities in the South are often characterized by close, intimate relationships between community members. Certainly, the television image of "Mayberry, R.F.D." fosters this notion. By community integration, I am not referring to racial integration but to the extent to which there are both formal and informal interaction networks through which people support one another on an ongoing basis, as well as in emergencies.

Research studies indicate that rural communities tend to be quite hospitable to newcomers. In contrast to the image that they are very wary of outsiders, most new members of the community find it relatively easy to integrate themselves within the existing support systems (Rank &

Voss, 1982). This ease of integration has one negative effect on community development: newcomers tend to want their new community to stay the way it is while long term residents are more likely to want to promote change. For example, there are many instances in which economic development in North Georgia has been retarded by newcomers not wanting to promote growth and development; many of these people were attracted to the area because of its "rurality" and low tax base. Threats to promote development and increase taxes may benefit the quality of life of earlier residents but retard quality of life for urban escapees.

Another dilemma that effects community integration itself is racial and economic inequality. Communities are often characterized by haves and have-nots; those who own property or businesses and those who work for them. Many rural communities find it difficult to effectively meet the needs of both of these groups, usually supplying the disadvantaged with less support from community leaders and from the limited resources that they have at their disposal.

Quality of Services

Basic services are sadly lacking in rural communities in the South. Not only are utilities such as water, sewerage and health systems inadequate but programs that facilitate financial adjustments and help people adapt to changes in economic circumstances are uncommon or unavailable. Most southern communities have weak or nonexistent programs in such areas as employment assistance, vocational rehabilitation, mental health, legal aid, community planning and public housing. Since 1980, the gap between urban and raral areas in the service they provide to residents has been growing (Blakely and Bradshaw, 1985).

Without these services, residents are disadvantaged and communities are deemed to be less desirable to those outside. Unfortunately, many southern rural residents are unaware of the importance of these factors to nonsoutherners. In a comparative study by the National Chamber of Commerce, it was found that southern Chambers of Commerce considered quality of community services to be a relatively unimportant factor in community attractiveness to industry compared to representatives from other parts of the country (Raitz, 1985). This suggests that southern community residents are often unaware of the importance of community services to nonresidents and that they may also be unaware of the value to their own people, especially the younger and better educated who are leaving these areas for better quality of life in southern cities and towns.

Family Life

The rural southern family conjures up a strong image of traditional family values. Popular culture would suggest that these families are highly adaptive, integrated and psychologically close. Indeed, recent studies of farm families tend to support some of these beliefs, especially studies in the Mid-West and West (Olson et al, 1983). Some of the recent research on family strengths has been based upon these families, adding to our professional literature the presumption of family solidarity in rural America.

Rural families in the South are not always able to live up to their traditional farm family ideal. First of all, the majority of these families are not farm families who own and work their own land. Most southern rural families work at low wages in agriculture or blue collar jobs that contrast with the agribusinesses of the Mid-West. In addition, farm families in the South are now experiencing even more economic difficulties than in other parts of the country, with nearly one thousand farmers in Georgia experiencing foreclosure this year.

This is not to say that most rural families in the South are suffering. They are not. But there is a fairly high proportion of rural families who are reporting high levels of family violence and family disorganization (Krisberg and Schwartz, 1983, Turkington, 1985). Incest rates are very high in the South, considered by some to be higher than any other part of the country. In addition, child and spouse abuse rates are very high. Teenage pregnancy and early marriage are still common in rural counties while traditional values limit access to sex education and contraception among rural youth.

These instances of family disorganization are particularly true among lower socio-economic and minority families (Turkington, 1985). These families are also less likely to have access to support services and programs in rural areas, leaving them vulnerable to intergenerational poverty and inequality. It is difficult for individuals to break out of poverty since the sexual and conflict behaviors in these families often conflict with traditional values in the more prosperous communities. Family problems can accentuate perceptions of social class differences within the community and increase prejudice and discrimination. Thus, poverty perpetuates itself and services are not provided because of perceived undeservedness by those who control economic resources.

State Responses to Rural Community Needs in Georgia

In addition to the many local responses to rural community and family needs, the state of Georgia is now making some significant strides toward improved quality of life and economic well-being for its rural residents. Some of these efforts are extensions of long-standing concerns while others are new and expanded efforts that should pay continuing dividends. Fortunately, the state of Georgia is blessed with an expanding economy, a Sun-Belt location and progressive leadership. Still, there remain many unmet needs for rural families and these will be identified later.

Collection of Data

One of the most important determinants of a state's ability to address the needs of its people is data that can document the pervasiveness of a problem and the extent of the need. Up until recently, Georgia, like other southern states, has not always had at its disposal the data needed to understand and focus on problems. With few exceptions, research on southern communities has been inadequate. Southern universities and state agencies have not always had the funds necessary to carefully explore the many issues that concern their people.

There are several recent efforts to remedy the situation so that existing or new data can be interpreted in such a way that policy makers and legislators can use them. The Georgia 2000 Commission, for example, has explored a number of major economic and social issues of the state and prepared a statistical summary of its findings. These were compiled by both the private and public sectors of Georgia and form part of a growth plan for the state. The University of Georgia has recently prepared a map of state statistics, The Georgia Atlas, the first of its kind that is available. The Kellogg Foundation Task Forces at the University of Georgia are also gathering important new data on such issues as community well-being, literacy levels, potential economic growth models, natural resource recovery strategies and quality of life considerations. Taken together, these efforts should provide valuable information upon which a rural community agenda can be built.

Quality Basic Education Act

The State Legislature in Georgia passed unanimously in 1985 the Quality Basic Education Act which is designed to transform public education in the state. The purpose of the legislation is to raise the overall quality of education in all areas of the state, whether urban or rural. The Act provides a formula for the redistribution of funds for primary and secondary education, increases standards for new and existing teachers, increases pay for teachers throughout the state and stiffens high school graduation requirements for students.

The Quality Basic Education Act is designed to increase the prestige and status of education in Georgia. It should somewhat reduce the brain drain of teachers from schools to the private sector and increase the value of a high school degree from a Georgia secondary school. The potential economic benefits are enormous, especially as the economy in Georgia shifts toward the service sector, demanding higher levels of education and competencies from our citizens. This is not an immediate solution to community problems but it will certainly improve the quality of life and economic development of rural communities in the future.

Community Schools Programs

Community schools programs are being initiated in many parts of the state. These programs are designed to make better use of school facilities in the evenings, on weekends and in the summer months. Community schools provide adult education, community forums, vocational training and enhanced recreational opportunities. Community schools, where they have been successfully implemented, have been significant factors in the improved community integration of rural communities where it helped foster the economic well-being of rural life (Gatewood and DeLargy, 1985).

A good example of a successful community schools program was in Brooks County, in the southern part of the state (Mott Foundation, 1982). A program was established there called REAL: Rural Education through Action Learning. This program was supported by state, foundation and Department of Labor funds to promote vocational education and community integration in that county. The program has been highly successful and serves as a model for other such programs which are being considered throughout the state.

University Support for Communities

Universities and colleges in Georgia have been major promoters of community development in the state. While this is a traditional role for many state institutions, particularly land grant universities, the service role of southern universities has remained very visible and strong over the years. The Cooperative Extension Service is one of the most visible arms of this effort throughout the state and it plays a major role in local community development and coordinated efforts for community development throughout the state.

The Institute for Community and Area Development at the University of Georgia represents a noteworthy effort on the part of the state and the University to meet the planning needs of rural communities and regions of the state. The Institute provides technical assistance to communities in developing long-range development plans, works with local planning officials if they are available, and provides direct planning assistance and other important emphasis is on economic impact analyses for local communities which can help local leadership identify their economic alternatives for community development.

The Georgia Center for Continuing Education at the University of Georgia also provides an expanded outreach to assist local communities. They provide seminars for training of local community leadership and a data base which can be drawn upon to assist in local planning. The Kellogg Foundation-sponsored Task Forces are designed to determine the priorities for continuing education in the state and assist the Georgia Center in defining its short- and long-range objectives for adult education.

Developmental Highways

The state of Georgia is currently in the process of developing highways which will better link rural areas of the state to urban centers. These highways are designed to promote the development of rural industries that need urban markets. The thinking behind this is to encourage distribution of industry throughout the state (it is now concentrated in several urban centers) and facilitate the move from agricultural to industrial and service economy.

While this is considered a short-term solution to rural development needs on the part of many legislators, economists caution against an overemphasis upon developmental highways. While these highways can ease the flow of goods and access to services between urban centers, impacts on rural development have been marginal to date. At best, this strategy must be undertaken in concert with a broader community development effort that solves other local needs.

Land Use Planning and Zoning

A more comprehensive examination is currently being undertaken in the state of Georgia. This effort is designed to determine the requirements for development in different sectors of the state and the resources that are available and needed to promote economic development. This effort is not unique but it is noteworthy for the state and a first major step in defining the requirements for the economic development of rural communities.

One limitation of land use planning in Georgia is the Constitutional limitation for the state's role in overall planning and zoning. This control was totally abdicated to local counties, making both regional and state-wide planning efforts quite cumbersome and often ineffective. In fact, regional planning and development commissions receive very little state or federal funds today and operate almost solely from local contracts.

Church and Religious Contributions

Rural churches in the South are noteworthy for their traditional values and community integration activities. Church leaders, whether white or black, have not been reticent in their criticism of legislation and policies which sometimes inhibit personal and community well-being. Religious activitism has a long tradition in the South and black churches and church leaders have been particularly influential in southern communities and states. Rural churches have been especially strong advocates for families and an important resource for community leaders.

This potentially bright picture of the rural church in the south has begun to dim somewhat. In a recent study I conducted of rural pastors I found quite high levels of low morale among these clergy compared to those serving in urban churches (Orthner, 1986). Likewise, many of these pastors complained that their parishioners do not take them into confidence. Rather than being a clearing house for community tensions, personal concerns and family grievances these pastors suggest that rural families are typically socially isolated and rarely turn to anyone for help, often until it is too late. Like their urban counterparts, rural churches are also experiencing a decline in their church attendance.

Unmet Needs of Rural Communities

Despite selected efforts to better support rural communities and rural families, there remain a number of areas in which state action has been either nonexistent or ineffective. There are also emerging problems in rural communities that have been stimulated by state and federal policies and legislation and these need to be reviewed and perhaps reconsidered.

Rural Consolidation of Services

The lack of high quality services provided to residents of rural areas has been noted as a pervasive problem in rural living. While many rural residents do not expect to find the range of local services available to them locally as in urban areas, there are basic needs in such areas as education, employment assistance, community mental health, and the like. Small communities and under-populated counties cannot be expected to provide these services because their tax bases are minimal and the management costs for these services are high. In Georgia, for example, well over half of all the counties do not have at least 3300 students in its public schools, a number which is considered minimal to support a quality education system.

Incentives are needed to promote consolidation of basic services. In Georgia, this may mean consolidation of counties, an unpopular idea in rural areas. Nevertheless, in order to break many children and their parents out of the rural poverty cycle, it will be necessary to reorganize many local services and consolidate them under stronger leadership.

A somewhat related problem is that of rural leadership. More training in city and county management is needed and rural leaders need to be encouraged to participate more in their regional associations. Likewise, greater consolidation of services should result in the development of more competent leaders as the resources needed to manage programs and services will come from a wider area and population base.

Rural Credit Problems

One of the major problems stifling development in rural areas is the lack of credit. Without available credit, it is very difficult for rural people to develop the businesses and industries that will help vitalize their areas. It will make it especially difficult for them to make the transition from an agricultural to a service-oriented economy.

The problems of rural credit have many causes, not the least of which is the decline in land values and the relatively low wages that rural residents typically earn. These problems are exacerbated, however, by the deregulation of many industries that have traditionally served rural communities. Along with a loss of airline, train and bus services, the local banking industry in rural communities is beginning to vanish. In its place are branches of larger state and interstate banks with little investment in rural communities and rural development. Coupled with this has been capital flight from the rural communities and to the urban centers of the South. The loss of this capital and restrictions on credit play a major role in stress in rural communities.

Rural Research Needs

In order to understand the strategies that are most likely to improve the quality of life for families in rural communities, much more research is needed on rural communities in the south. There are unique problems to rural life in the South, as I noted earlier, but very little research is currently being supported to look at rural family and individual needs. As research dollars have become more scarce, much more of this research has been dedicated to basic agricultural studies and comparatively little to social and behavioral sciences research.

Unfortunately, much of the information we depend upon for policy and legislative action is anecdotal. Carefully developed studies of rural family needs are exceptions rather than the rule. This is not to say that extension services, home economics departments and social work units are not fulfilling their responsibility. They are, but their resources are sadly lacking and funding levels have declined significantly. Thus, the problem has grown but the data needed to support good answers is not always there.

Contributions from Support Organizations

During this time of transition in our society it is important for organizations who attempt to meet the needs of people to establish overall priorities. Given mass-media attention, the problems of urban America receive a great deal more publicity than those of rural America. The farm crisis is not the only crisis faced by rural communities in America. Much more attention needs to be given by organizations such as religious groups, P.T.A.'s, and various men's and women's organizations to how they can contribute to the development of rural communities, especially in the South.

Rural churches, in particular, need outside support in order to continue their service efforts. The rural church in the South has been a major institution in promoting change but it often has inadequate resources to support its efforts. Pastors who represent major denominations should be encouraged with additional support from their denominations.

Other volunteer organizations also should be encouraged to develop a rural community emphasis. For example, parent-teacher organizations in rural schools are often unsuccessful in attracting parent involvement, especially among economically disadvantaged parents. Given the importance of education for community, state, and regional development, the input of additional resources and training for parent involvement could prove to be crucial to local communities, their schools, children and families.

Conclusions and Recommendations

As has been noted, rural communities in the South are undergoing significant change. Their agricultural base is still strong, but it is beginning to erode and the institutions which traditionally have supported the rural community are not adapting as quickly as needed. For many of these communities, there is the hope of a savior in the form of a new automobile or other major manufacturing industry. Not well understood are the opportunities in service industries or the entrepreneurial developments they themselves can make to revive their own economies through the redevelopment of their communities and rural regions.

The following recommendations identify some of the major thrusts that should have a positive effect on rural communities and the integration of rural families.

- Significantly expand preschool education programs in rural areas of the South.
- Promote regional planning and development commissions and give them greater authority to effect land use planning.
- Increase research on rural community development and factors that will strengthen rural families.
- Improve quality of primary and secondary schools in rural areas.
- Stimulate the work of private and public voluntary organizations in rural communities.
- Increase training and leadership competencies among rural leaders.
- Promote cooperation and consolidation of rural communities and counties in order to improve services to rural residents.
- Foster the development of alternative community schools in order to better facilitate the integration of community residents and promote community development strategies at the local level.

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Chairman MILLER. Louise Hill.

STATEMENT OF LOUISE HILL, WOMEN'S COORDINATOR, GEORGIA FARM BUREAU, MACON, GA

Ms. HILL. I am Louise Hill, the State women's coordinator of the Georgia Farm Bureau. On behalf of 161,000 family members of our organization, I would like to commend this committee for having this hearing and especially having it here in the middle of a farming community.

As you have already heard, and I will emphasize again, the problems facing farm families are many and the farm sector is in a state of depression. The farm family unit is in a state of depression. The farm family unit is presently under tremendous pressures. The Georgia Farm Bureau has recognized this problem and has had several programs on dealing with the difficult times. Every day, our membership sees real examples of the problems facing farm families and need not be educated to the reasons or to how these problems are created—they already know this. So as an organization, the Georgia Farm Bureau is taking positive steps not only to help our farm families deal with the present situation, but we are actively advocating avenues for a more optimistic future in agriculture. It is our view that instead of telling a farm family of their despair, something they already know about, we should provide answers and alternatives for their future.

What assistance is needed in the rural communities to help families overcome the despair that has been created by the present agricultural depression? First and foremost, we must take some action to save the family farm. Second, the temporary despair and stress must be dealt with.

The present problems facing farmers are primarily a result of outside forces, as Dr. Ikerd reiterated—low commodity prices, the overvalued dollar, high interest rates, depressed land values, embargoes, et cetera. Many factors have compounded on top of each other, making the present farm economy the worst since the Depression. It is ironic that when the general economy seems to be the strongest ever, the agricultural community which represents the No. 1 industry in the country is in a state of depression.

Looking toward the future, the Farm Bureau can see this situation changing. The 1985 Food Security Act, coupled with lower interest rates and lower energy costs, should help bring some prosperity to the agricultural sector. But, of course, the farmer who is foreclosed on today, will not see a brighter tomorrow. In the first 3 months of this year, there have been 665 foreclosures in Georgia.

The debt situation is like a plague to rural areas, and must be solved for any long-term relief to take place. The Farm Bureau has urged, with some success, the banking regulators to implement policy changes to allow forbearances and the restructuring of farm loans. Upon the request of Farm Bureau, Congressman Lindsay Thomas of Georgia has introduced Resolution 310 which calls for the Farm Credit Administration to practice forbearance rather than foreclosure through loan restructuring programs. Debt restructuring must become a reality.

The Georgia Farm Bureau realizes that even with debt restructuring, the problems with the agrisector will not be solved overnight, so we are trying to address the immediate needs of our members through programs designed to help farmers and their family members cope with stress from the agricultural crisis.

Some examples: At the annual Georgia Farm Bureau Presidents' Conference, which is a 2-day leadership meeting of County Farm Bureau presidents, we had training seminars explaining the present farm crisis as well as looking at new opportunities in farm programs and examining financial alternatives. Although the critical agricultural situation was acknowledged through the conference, the program focused on up-to-date information on how farmers can survive the crisis which they in turn could communicate to local Farm Bureau members.

Another special program sponsored by the State Women's Committee featured the farm family and the importance of the family unit in the rural areas. The conference focused on the importance of the family unit in a farming operation. Participants learned skills that could enhance farm life as well as were challenged to apply these newly acquired abilities. Program topics included were:

Building Better Working Relationship Between Farm Family Members.

Estate Planning.

Financial Planning.

Home Business Opportunities.

The Role of Leisure in the Life of the Farm Family.

I want you to note that the conference objectives and topics did not directly relate to the farm crisis, and did not focus on those topics that we continuously talk about such as stress, but instead they focused on needed information and skills that a family could use in dealing with the challenges that they currently face.

Probably the most beneficial outcome of the conference turned out to be the social interaction. Farm family members had the opportunity to interact, discuss, and fellowship with other farm families that were facing some of the same problems. We believe that it is through this type of social interaction that we can probably best address the farm crisis on the family unit. Farm families have traditionally depended upon their individual family for support systems.

To reach outside of the family unit is not a common practice. The current agricultural situation is forcing the family members to seek support and resources outside of the family unit. This can have some positive implications, but we fear at present the negative will overshadow the positive.

An example: Most farm wives have been forced to seek employment off the farm in order to supplement farm income. Many people would argue that this is not a result of the farm crisis and is not unique to agriculture, but rather a reflection of our country's overall economic situation. I would disagree by saying that because most farm women are an integral part of the farming operation, and while at home make daily contributions to the management of the farm in addition to maintaining the family household. The need for the farm wife to seek employment away from the farm has resulted in a loss of labor for the farming operation. The stress created as a result of the wife not being involved in the daily operation and home activities has had many effects. One of the strongest being on the wife herself. Many farm wives attempt to fulfill all of the roles they carried prior to off-the-farm employment as well as keeping their commitment to their employer. This personal stress on the farm wife has had many effects on the family.

Many of the family farms in Georgia have multigenerations contributing to the farm operation. This may result in a varied set of value judgments in the management of the farm. The grandfather may not agree with the grandson's decision. If agriculture is in a positive situation, this disagreement can be worked through, but with the current agricultural situation, these disagreements often result in major family arguments; once again impacting the strength of the family unit. Family stress, as we have already seen and heard much today, directly affects the children. Many times children growing up on a farm expect to continue the tradition of operating the family farm and then suddenly foreclosure shatters that dream. The foreclosure of a farm causes many changes in what was once a stable environment for the children.

A sector we have not addressed today as the various testimonies have been presented is the farmworker's family. Most of the comments today have directly related to the farmowner's family and the effects on the farmowner's family. I think it is important that we acknowledge the ripple effect that will affect farmworkers and their families. The loss of employment will have a tremendous impact on these families and in almost every case, farmworkers have little education and their alternatives for employment in the rural area are almost nonexistent. Because of their limited resources, the families of farmworkers are facing devastating situations as a result of the agricultural economy. Many of these families will struggle just to provide the basic needs of food and shelter.

Whether one is discussing the farmworkers' family or the farmowner's family, traditionally in Georgia, agricultural production has centered around the family unit. Farm families take pride in their family unity and strength. Many times in the past, it has been this strength that has pulled them through difficult times and will continue to pull them through. But the current agricultural situation is challenging the strength of the farm family more than it ever has before. External forces are pulling apart the internal bonds of the family.

The depressed state of the agricultural sector of the economy is causing severe and damaging wounds to the family. We believe that the answer to solving the problem lies in strengthening the agriculture economy. Job retraining, career counseling, relocating programs, all are important and all have their place, but are not a long-range answer to the farm family problems. Farmers want to be farmers and they want to remain on the farm. Gentlemen, as you have heard today, all is not well in rural America. It is important that we look at saving the family farm. I urge you to back legislation such as Resolution 310 introduced by Congressman Thomas. That will help farmers restructure debt, making family farming a stronger industry; thus, relieving the stress on our family farms.

There will be a positive tomorrow in agriculture. It is somewhere around the corner and the Georgia Farm Bureau families plan on being a part of that future.

Thank you.

Chairman **Miller**. Thank you.

[Prepared statement of Louise Hill follows:]

PREPARED STATEMENT OF LOUISE HILL OF THE GEORGIA FARM BUREAU

I am Louise Hill, the State Women's Coordinator of the Georgia Farm Bureau. On behalf of the 161,000 rural family members, I would like to commend this Committee for having this hearing, especially for holding it here in the middle of a farming community.

As you have already heard, the problems facing farm families are many and the farm sector is in a state of despair. The farm family unit is presently under tremendous pressures. The Georgia Farm Bureau recognizes this problem and has several programs on dealing with the difficult times. Everyday, our membership sees real examples of the problems facing farm families and need not be educated to the reasons for or how the problem was created — they already know this. So as an organization, the Georgia Farm Bureau is taking positive steps not only to help our farm families deal with the present situation, but we are actively advocating avenues for a more optimistic future in agriculture. It is our view that instead of telling a farm family of their despair, something they already know about, we should provide answers and alternatives for their future.

What assistance is needed in the rural communities to help families overcome the despair that has been created by the present agricultural depression? First and foremost, the family farm must be saved. Secondly, the temporary despair and stress must be dealt with.

The present problems facing farmers are primarily a result of outside forces — low commodity prices, the over-valued dollar, high interest rates, depressed land values, embargoes, etc. Many factors have compounded on top of each other making the present farm economy the worst since the depression. It is ironic that when the general economy seems to be the strongest ever, the agricultural community which represents the number one industry in the country is in a state of depression.

Looking toward the future, the Farm Bureau can see this situation changing. The 1985 Food Security Act coupled with lower interest rates and lower energy costs should help bring some prosperity to the agricultural sector. But, of course, if the farmer is foreclosed on today, he will not see a brighter tomorrow. In the first three months of this year, there have been 665 foreclosures in Georgia.

The debt situation is like a plague to rural areas, and must be solved for any long term relief to take place. The Farm Bureau has urged, with some success, the banking regulators to implement policy changes to allow forbearance and the restructuring of farm loans. Upon the request of Farm Bureau, Congressman Lindsay Thomas of Georgia has introduced H. Con. Res. 310 which calls for the Farm Credit Administration to practice forbearance rather than foreclosure through loan restructuring programs. Debt restructuring must become a reality.

The Georgia Farm Bureau realizes that even with debt restructuring, the problems with the agri-sector will not be solved overnight, so we are trying to address the immediate needs of our members through programs designed to help farmers and their family members cope with stress from the agricultural crisis.

At the annual Georgia Farm Bureau Presidents' Conference, which is a two day leadership meeting of County Farm Bureau Presidents, we had training seminars explaining the present farm crisis as well as looked at new opportunities in the farm programs and examined financial alternatives. Although the critical agricultural situation was acknowledged throughout the conference, the program focused on up-to-date information on how farmers can survive the crisis which they in turn could communicate to local Farm Bureau members.

Another special program sponsored by the State Womens Committee, featured the farm family and the importance of the family unit in the rural areas. The conference focused on the importance of the family unit in a farming operation. Participants learned skills that could enhance farm life as well as were challenged to apply these newly acquired abilities. Program topics such as:

—Building Better Working Relationship Between Farm Family Members

—Estate Planning

—Financial Planning

—Home Business Opportunities

—The Role of Leisure in the Life of the Farm Family

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Please note that the conference objectives and program topics did not directly relate to the farm crisis, but instead focused on needed information and skills that a family could use in dealing with the challenges the farm family currently faces.

One of the most beneficial outcomes of the Conference turned out to be the social interaction. Farm family members had the opportunity to interact, discuss, and fellowship with other farm families that were facing some of the same problems. We believe that it is through this type of social interaction we can best address the farm crisis on the family unit. Farm families have traditionally depended upon their individual family for their support system.

To reach outside of the family unit is not a common practice. The current agricultural situation is forcing the family members to seek support and resources outside of the family unit. This can have some positive implications, but we fear at present the negative will overshadow the positive.

An example is most farm wives have been forced to seek employment off the farm in order to supplement farm income. Many people would argue that this is not a result of the farm crisis and is not unique to agriculture but rather a reflection of our country's overall economic situation. However, we disagree because most farm women are an integral part of the farming operation and while at home made a daily contribution to the management of the farm in addition to maintaining the family household. The need for the wife to seek employment away from the farm has resulted in a loss of labor for the farming operation. The stress created as a result of the wife not being involved in the daily operation and home activities has had many effects. The strong family bonds traditionally cultivated and maintained by the mother are weakened. Many farm wives attempt to fulfill all of the roles they carried prior to off the farm employment as well as keeping their commitment to their employer. This situation results in tremendous amount of personal stress for the farm wife which directly affects the family.

Many of the family farms in Georgia have multi-generations contributing to the farm operation. This may result in a varied set of value judgments in the management of the farm. The grandfather may not agree with the grandson's decision. If agriculture is in a positive situation, this disagreement can be worked through, but with the current agricultural situation these disagreements often result in major family arguments; once again impacting the strength of the family unit. Family stress directly effects the children. Many times children growing up on a farm expect to continue the tradition of operating the family farm and then suddenly foreclosure shatters their dream. The foreclosure of a farm causes many changes in what once was a stable environment for the children.

Most of my comments have related to the problems facing the owners of farms; however, it is important that we consider the ripple effect of these problems to the farm workers. The loss of employment will have a tremendous impact on these families. In almost every case, farm workers have little education and their alternatives for employment in a rural area are almost non-existent. Because of their limited resources, the families of farm workers are facing devastating situations as a result of the agricultural economy. Many of these families will struggle just to provide the basic needs of food and shelter.

Whether one is discussing the farm worker's family or the farm owner's family, traditionally in Georgia, agricultural production has centered around the family unit. Farm families take pride in their family unity and strength. Many times in the past, it has been this strength that has pulled them through difficult times. The current agricultural situation is challenging the strength of the farm family more than it ever has before. External forces are pulling apart the internal bonds of the family.

The depressed state of the agricultural sector of the economy is causing severe and damaging wounds to the farm family. We believe that the answer to solving the problem lies in strengthening the agriculture industry. Job retraining, career counseling, relocating programs all have their place, but not as a long range answer to the farm family problems. Farmers want to be farmers, and they want to remain on the farm. All is not well in rural America — the Family Farm must be saved. We urge you to back legislation such as H. Con. Res. 310 that will help farmers restructure debt, making farming a stronger industry; thus, relieving the stress on the farm families.

There will be a positive tomorrow for agriculture, and the Georgia Farm Bureau families plan on being part of that future.

Chairman **MILLER**. Listening to this testimony this morning regarding what was done in Indiana, I just wonder if you see a difference in the underlying infrastructure here, in terms of rural poverty and the educational system between here and Indiana. Dr. Ikerd and others can try and answer.

Mr. **AKERS**. Well, I guess that is a yes and no answer. Indiana is—unlike Georgia, Indiana has more urban centers away from one major town, but it is still, by and large, an agricultural State, but many, many small towns. There are about 500 incorporated communities in the State of Indiana and about 15 of them have a population of more than 50,000. So it is by and large a rural, smalltown State.

I understand potentially the difference is in education levels that were addressed here today. But I guess my response would be to say the reasons why it may not work like it did in Indiana, in Georgia, is just to say the task is different. There are different ways to approach it.

I guess, just to back up a little bit, Registered Cities and Towns is the heart of a much larger program that involves primarily a partnership between public and private industry. Because we do not have a lot of money at the State level to work with Indiana, and because of our lack of ability to borrow. We have to balance the budget, we cannot borrow to do it. What that means is that we have to draw the private sector and the university sectors into the economic development, and what that means is we also have to draw that in at the local level, too. In the process of Registered Cities and Towns happening, the local communities involved—you know, the person who runs the school and the person who runs the water and sewer system and the banker and whoever is there—I understand that educational levels at the local community level are different, but in Indiana we have some communities under 1,000 people, under 1,000 population where the mayor is the barber and they do not know much about all this stuff, but they are involved with Registered Cities and Towns.

I cited in my testimony towns like Hamilton and Orland and Freemont, Ashley/Hudson which attracted two companies, each of which had more jobs associated with that location than were in the entire town, in part because they were organized and they were able to respond to the needs of companies and to work with people that were already there. Somebody runs the school system, somebody runs the—helps organize these types of things.

On the education side of it, what we have tried to do is free up some of the money that needs to go to universities to some degree by involving the private sector into those programs. Purdue University has a program called SID-MAK [ph.] in which six private corporations have donated $1.2 million to this particular program to do research on the factories of the future.

What programs like that do is allow us more of an increase than would normally be expected to go to a program we call Prime Time, which is in essence putting a lot more money at the K through 5 level of education, making sure that the kids at that level, kindergarten through fourth and fifth grade, have very basic skills of reading, writing, arithmetic, and those types of skills at that level, that have smaller classroom sizes and a little bit better facilities than they might otherwise have, concentrating efforts at those levels.

So it is a giant program that involves a lot of people and it is not just go out and organize and start marketing yourselves to industrial prospects around the country. It involves a lot of people by its nature, and in doing that the people contribute not only their time, but their resources, through the whole process, and the whole State is involved, because we cannot do it at the State level by ourselves.

Chairman MILLER. Dr. Ikerd.

Dr. IKERD. Yes, sir.

Chairman MILLER. You seem to suggest that this trend has not changed, and in fact you are going to lose the whole infrastructure you have in the rural communities and the rural regions of the State. I think Dr. Berranti also testified that families who must seek employment or resources for the family find that they have to migrate to urban sections of the State or to other areas of the country. We also heard testimony that the banks will follow them because obviously the banks go where the deposits are. And you start to lose the social and economic fabric of some of these areas, it seems to me. And it does not appear that it takes many years before that is accomplished.

Dr. IKERD. Right. I would like to comment on your previous question and then get at this because I think they are related.

We have a program going on in cooperative extension now, which is a high priority program, which was a spinoff of a program we called Georgia 2000. In Georgia 2000, a group of leaders from across the whole State got together and discussed the issues and defined priorities for Georgia over the next 15 years, going to the year 2000. The spinoff on that program has been called County 2000. What we are trying to do with County 2000 is send teams of extension people into the counties who put together groups of 50 county leaders, so we are involving a lot of people in this program. Our role is to help these people identify the community resources and to identify for themselves the priorities for their counties, moving into the year 2000. I think there are 16 counties in the program this year and we will be moving into 16 more counties next year. Most of these counties are in rural areas and they are facing the financial crisis that is affecting the farm economy, surrounding communities, and these communities themselves. These are the issues that County 2000 is dealing with.

Now to your second question. Yes; I think there are adjustments that are inevitable in Georgia and elsewhere around the country because of factors that have already been put into place, that I outlined very briefly in my paper. We had an agriculture that was gearing up to produce for a growing export market. We expanded capacity. We have an agriculture now that is shrinking because we have lost that export market. I often say that we are at a crossroads in agriculture today.

We can go one of two directions. We can either continue the trend to produce for the domestic market, and if we do, Georgia farmers and U.S. farmers will have to cut their production levels probably another 15 to 20 percent to bring supplies in line with domestic demand at profitable prices.

The other road is to try to regain the export market. If in fact we are successful in putting the policies in place to regain the export market, then we could have a larger rather than a smaller agriculture somewhere out in the future. But we are not going to accomplish either of those within the next 3 or 4 years. That is the point of what I am saying. We are going to continue to go through some period of adjustment in agriculture. That is inevitable. I think what we have to do is to deal with that reality and to make the transition as effectively and as smoothly as possible. We can then look on to the future and decide what kind of agriculture we want and put the policies in place that will bring it about.

Chairman Miller. Congressman Coats.

Mr. Coats. Mark Akers, Indiana has followed a program which you have described, registered cities and towns. It occurs to me that at some point the State had to make a decision as to which of two approaches it would follow.

One approach is to say that we will energize the communities to develop the community first and hope that jobs follow. In other words, we have got a deteriorating downtown, so let us put in a mall and fix up the store fronts. With education lacking this might be a negative inducement to industries moving here. We ought to develop our parks and streets, our infrastructure, sewer, water, et cetera, and then hope to attract the jobs.

The other approach would be—and it seems to me you followed the second approach—let us go after the economic growth or development of the jobs first and then hope that that will bring about the renewal in the community.

Could you comment on that? Is it either, or, some of both—what is the thrust? Which are you putting first and which are you putting second?

Mr. Akers. Well, it is a little of both. The emphasis tends to be more on—how do I put this—Indiana is—every State is going to say this, you understand that—Indiana is kind of unique in our situation because of the surrounding—the tax structure of the surrounding States. And because of their tax structure and their ability to borrow as they balance budgets and go into various programs, their tax rates are somewhat higher and their unemployment compensation systems are different. It is lower cost to work in Indiana. So we have, on a regular basis, companies coming to us where many of these successes come from. They have got a project, they are interested in Indiana, the probabilities are higher. We have to staff to handle those projects that come to us. It is two-pronged. One is a target-marketing program which at the State level is similar to what I described at the local level where we gather private and public expertise and network on those expertises.

I guess the emphasis—we also have a program, too, that helps communities develop themselves as a product, because, you know, you cannot go out and sell a community that really does not have some of the things that these companies are going to need. So we have taken—at our level, we have taken a couple of different tacks. Most of our incentive programs work through the community, so that when there is development, that money flows into the community. We have a UDAG [ph.] type program where money flows into the community, they loan it to the company in order to induce the company to come there and then the money, when it is repaid by the company stays in the community—you know, recycles the money in the community, so everybody walks away happy in that type of deal.

We have used some of our community development block grant money, the small cities money, in traditional ways that block grant money has been used for in helping communities do downtown development, neighborhood development, putting in infrastructure that is required, those types of programs.

But our incentive programs, by and large, are incentives not only for the companies, but for the communities, too, because there is only one incentive program, for example, that we have that goes to the company and that is a training program, where money goes directly to the company. All the other money that we have when we entice companies to come to Indiana goes to the community for things to be done in that community to help that company locate there.

I guess the answer to your question is, yes, we have come down with more of an emphasis on attracting the investment into the State because without that investment nothing happens, without jobs taxes do not get paid, churches do not get contributions, charities do not operate, those kinds of things. And then that investment is very important to us. But the other side of it, too, we have tried to make our programs so that they work with the communities, both through the grant level like the block grant programs have worked in the past and we have State funds in those programs, too. Working in that traditional way, but also as development happens, that money goes to the communities and not to the companies.

Mr. Coats. My second question is really more of a comment than a question. The other four panelists all touched on the cooperative extension service as an in-place network to deal with problems that farm families are experiencing. My understanding that extension is funded one-third Federal, one-third State and one-third local, county-wide. I know it is in Indiana, I assume that is a national way it is funded. Taking into consideration these facts; the changing needs of farm families we are in an inevitable period of adjustment, and that we know that perhaps one out of nine farms are in severe distress and probably will not make it; is it not reasonable to assume that our extension dollars ought to be reprogrammed. We ought to be doing a lot of thinking right now about how we are spending those dollars.

For instance, in my hometown, Fort Wayne, IN, an urban area, we have an active, good extension service, but much time is spent teaching home economics. A lot of time is spent on urban gardening, on producting information and helping citizens with lawn care, shrubbery growing, things that really are not getting at the heart and soul of the problem that exists on the farm. And I was just wondering if some thought has been given to restructuring how those dollars are spent. We probably do need to be spending a lot more effort in dealing with stress that falls on families that have had to give up their farm. We heard some eloquent testimony on that this morning—on providing the community emotional, local support for families in stress and in distress.

The extension service, since it is already in place, could reorient its policies, work with local ministers, psychologists, mental health centers, to pull together a cooperative local effort. It could provide a structure to meet a lot of these needs.

If any of you want to comment on that, I would be glad to hear your thoughts.

Dr. Ikerd. First here in Georgia, we get about 16–17 percent of our extension funds from the Federal level, but it is significant. And when you get down to what extension is involved in and what it does, it is really directed from the Federal level because it started out as and remains a cooperative program. We basically do what is mandated there.

When you mentioned some of the things like urban gardening, for example, those are earmarked dollars that come from Washington for urban gardening, the come down and that is what they have to be spent on.

Mr. Coats. OK, so that burden falls on us.

Dr. Ikerd. And some of our program it is directed in that way. In fact, the Federal budget that went forward from the administration this year mandated that the States would have to show that they had satisfied all the needs of working directly with farmers on commercial farm decisions before they could spend any of those Federal dollars on resource development, community development, home economics, youth programs or anything else. Now, that provision did not pass as far as I know, but that was the proposed language. And that is the program direction that is being passed down now from the Federal level.

Now I work with farmers, and I would argue that we need to continue to work with farmers and to work with the financial crisis as we are doing, to help farmers assess their resources. But we also need the other programs in community resource development, economic development, as we are talking about here, and the broad programs we can do through 4-H to deal with problems of crisis affecting the children and so on. We can do those things, and extension is amendable to doing those things. In fact, we have major thrusts in those areas.

We have reorganized our extension structure to create a whole segment within extension that deals with economic development. We got quite a bit of criticism, our director did, from various sources about doing that. But we are pushing to the maximum extent that we possibly can, I think, into those areas to try to direct our resources toward solving the total problem. In fact, we got some matching funds from the Federal level to put together a program for financially distressed farmers. We have gone ahead and are working with the other departments, in the stress area, with the home economists and with the resource development people on finding jobs and so on. We are pushing a comprehensive program, but we are not getting any encouragement from the Federal level to do that. We are doing it because we really feel that it needs to be done, and we are going to continue to do it until somebody takes the dollars away from us, rather than wait for someone to encourage us to do it.

But what we need is support for those kinds of things. We recognize that the need is broader than just farm decisions. We are going to help people with farm decisions because that is our basic thrust. But we need support to do these other things that we are trying to do.

One other point I would like to make, is if you look at north Georgia and south Georgia, you have to look at them differently. If you are going to look at an example of economic development coming from the local community and a tremendous success story, all you have to do is look at north Georgia. Drive from here on up through Atlanta, go on up through that area. That is the fastest growing part of the whole country. And companies are locating, whole industries are locating, it is a relatively prosperous area. But, you go to south Georgia and then try to find the resources that will attract industries into those counties that are hardest hit now by the farm financial crisis. We are trying to do that, but it is a totally different job than going into north Georgia or going outside of town up in the Midwest somewhere and saying OK, all we need to do is marshal a few resources together and get them organized and we will bring people in. Go to south Georgia, drive those roads of south Georgia, and see the poverty there and see the resources there, and then try to deal with that, to put those resources together so that those people can make a living. That is what we are trying to do in extension and that is what a lot of other people in Georgia are trying to do. We need all the help we can get.

Mr. COATS. Dr. Barranti, you are directly involved in this, do you want to comment on that?

Dr. BARRANTI. I think John pretty much summed up what I would have said. I think as a member of the department of home economics extension, I want to stress that we are very much involved in stress management, strength building, and other kinds of support programs, and a lot of our programs are based and aimed at the quality of life issues and that is what we are about rather than cake decorating or gourmet cooking. We are trying to be about that as we are faced with the farm crisis now.

Mr. COATS. I guess I am a little confused, because I have talked with all my extension people, too, back in Indiana and the answer they give me is similar to your answer. That is to say, we want to do everything we are doing now and we want to do a little bit more. If you just give us more money, we will do more of it. And now is not the time for you to pull money away because there is a crisis on the farm. But no one is coming forward and saying all that we are doing is not in the right area. We have got a new situation that we are trying to deal with. Let us be flexible and specifically target in on the problem that faces us today. We should prioritize because in a day of limited resources and funds, to be truly effective, we have to do that.

I have 4-H people come to me and say, "Whatever you do, do not take a penny from 4-H, in fact, give more to 4-H." I have home economics teachers coming and saying "Whatever you do, do not take away from that." I have urban gardening people coming and saying, "The guy in the city is hurting, too, that little plot outside in the backyard is important and we need this service."

I guess I am asking the question, Is anybody sitting down and saying, "Wait a minute, this is a crisis, funds are limited, we need to rethink this whole thing."

Dr. **Ikerd.** I would just like to clarify. Maybe you did not catch part of what I was saying awhile ago.

In cases where we are trying to reorient, we have the people and the programs that we have been serving before that say "You cannot take those funds and put them somewhere else." When we are trying to move in one direction or another, we feel the pressure that "You cannot quit doing that and start doing something else." We need support for change. Some of it may be new dollars, some of it can be redirected dollars, but we need to have the ability to redirect. We need to have the confidence in our leadership to allow the extension administration to redirect to meet the needs over time, rather than having one group say redirect your funds from here to here, but no new funds; and somebody saying "If you take your funds out of this area, we are going to see that you do not get any funds."

Mr. **Coats.** But a lot of that support has to come from the extension itself. The national extension has to get together and say this is what we need.

Dr. **Ikerd.** I do not know about the national level, but at the State level, we have the leadership who wants to move, who wants to address these current issues that are coming up and who are doing everything that they can to redirect those resources. But in many cases they get pulled back by those who say "You cannot quit doing anything." You cannot redirect in such cases because you would have to quit doing something else, and so we say, "OK, if we cannot redirect, what is the alternative." Well, we need more funds to do some new things, if we cannot quit doing the old. And then when we want more funds, what we get is less funds. We get a 60-percent budget cut because nobody thinks that we are doing the things that ought to be done. It is a dilemma.

Mr. **Coats.** Well, I am way over my time here.

Mr. **Rowland.** I just want to commend you on being here today and talking about the problems that we are having on the farm and some of the things that you are doing to address them in Georgia, the Southeast, and the entire country.

Let me ask you about the FFA. I had the opportunity last month to talk to the FFA in Waycross, GA, and I was surprised that there were 300 people there. Do you recall the theme—I cannot remember the theme for the FFA for this year, but it was a real good theme. Do any of you remember that?

[No response.]

Mr. **Rowland.** Are any of you involved in the FFA?

Dr. **Ikerd.** We work with the FFA in extension, but it is totally administered outside of extension.

Mr. **Rowland.** A lot of young people are coming along, and they do not have to be just those that are actively tilling soil, there are many other things to do in agriculture. They were redirecting some of their energy and some of their activities in those areas.

You do not know if there is a drop in enrollment in FFA in the State of Georgia, do you?

Dr. **Ikerd.** There is a sharp drop in enrollment, but I couldn't quote you the figures, but there is a sharp drop in enrollment.

Dr. **Barranti.** There is a drop in vocational agricultural courses, too.

Mr. Rowland. Thank you very much for your testimony and for focusing on this most important area.

Mr. Levin. Just a quick question because we need to get on to the third panel.

Let me ask someone who has been, though not representing a rural area, has been working on rural credit issues—I am on the Banking Committee—a few of us have proposed a bill on credit to try to ease the load for people so they can afford to plant this summer or for next summer. But let me ask you, because I think underlying the attitudes of a lot of people in Washington is the following: Louise Hill, you say all is not well in rural America, the family farm must be saved. I think a number of legislators and a number of people in the executive say this: "There is going to be a squeeze on the number of farms in America." Also in your testimony, several of you have alluded to the fact that the younger generation is leaving the farm. So, I think some of our colleagues, and perhaps even more, people in the administration, are saying "Why save the family farm."

Now, this could take hours, I know, but maybe in 1 or 2 minutes you could fortify us with—I agree with that, but I am accused of romanticism instead of reality—why we should save the family farm—in a minute or less.

Ms. Hill. My reply to that would be, obviously we have heard lots of statistics on how many businesses fail in the rural community as a result of farmers going out of business. Most recently I have heard that one business per every five farms that go out of business, fails. That is a critical part. If we do not maintain the family farm in rural areas, what will we substitute? We talk about bringing industry in, but is there enough industry in this country to come in and supplement all of the rural areas in our country? I think it is critical that we keep agriculture in business and that we maintain agriculture in a healthy position.

Mr. Levin. In other words, I think the answer would be the nonfamily farm would take the place of the family farm that is what people are saying kind of under their breaths.

Ms. Hill. But is it a reality that it will? And what type of farm is that nonfamily farm going to be. How many people will it employ, will it maintain that rural economy, and I would propose that "No, it would not." Our economists can probably give you more statistics relating to that, but I think you are also looking at a hardcore issue of a way of life and quality life, too, in addition to the economics of the matter. And you have heard that from the various testimonies today, that there is an important quality there that we—that our country was founded upon and I think we are going to have a tremendous loss if we lose.

Mr. Levin. Mr. Rowland just mentioned that somebody on the next panel has to leave at 2——

Dr. Ikerd. Let me respond in a minute or less to what you say, because this is a question that is often asked, "Why should we preserve the family farm?" From an objective economic consideration, I think we are concerned about the structure of the industry of the farming sector. In fact, we have policy, and have had it in place over the years, that says, "We want to have a productive, efficient agriculture." We put public resources into agriculture, making it efficient so we can free up resources to do everything else. We have been very successful in using fewer and fewer people and fewer and fewer resources to produce from the land. But, the other side of that efficiency is maintaining a competitive agriculture, which means maintaining an agriculture in which no single entity has control. With a competitive agriculture, we can depend on whatever benefits are generated by public research and education dollars eventually to be passed on to the consumer, as food prices relative to incomes go down.

So, I think one way of maintaining a competitive agriculture is to make sure that there are a lot of people in farming. In antitrust considerations and various things of this nature, we are concerned about the structure of almost every industry. We see other industries that do not perform nearly as well in that area, I think because we get down to the point where there are too few. So, I think there needs to be a lot of farmers out there, and if there are going to be a lot of them, we do not have a better model than to have family farms out there operating.

And another important kind of ethical question is that the people of the country are concerned about who owns the land. When you get right down to it, what is the country geographically? It is the land and they are concerned about who is out there on the land. Let foreign ownership of farmland get up to a fraction of a percentage and you have people in the street. They do not want foreigners owning the land. They do not want big corporations owning the land. The taxpayers want a lot of people out there on the land that they can believe in and trust and who cannot somehow control the country through the ownership of the land. I am convinced that the taxpayer is concerned about who is on the land, in addition to the structure of agriculture.

I think both of those are strong reasons for maintaining a family farm based agriculture, even if you throw out all the sociological reasons for doing so.

Mr. **Levin**. Thank you.

Chairman **Miller**. Thank you. Next we will hear from Dr. Gus Kaufman, Margo Smith, Bonnie Engle, and Rev. Arnold McKinney. Dr. Kaufman, I understand you have a time problem, so we will hear from you first.

Dr. **Kaufman**. I have been able to buy myself another half hour, so—I will not take all of that.

Chairman **Miller**. We must be out of here at 3 o'clock, so please apportion your time accordingly. Again, your written statements and supporting documents will be put in the record, and you may summarize. And I think also you might want to quickly comment on something you have heard here earlier.

Dr. **Kaufman**. I think I am going to accede to Margo Smith, who has a more general statement and I will follow her.

STATEMENT OF MARGO SMITH, COORDINATOR, GEORGIA NETWORK AGAINST DOMESTIC VIOLENCE, ATLANTA, GA

Ms. **Smith**. I will be fairly brief. I represent the Georgia Network Against Domestic Violence and we are a coalition of battered women shelters throughout the State of Georgia.

Picture a woman standing at a phone booth in the middle of the night. She has two small children beside her. She is crying, confused, bleeding, and badly bruised. She only has some small change in her pocket, enough to make a phone call. Fortunately, she also has the number of a crisis line for battered women.

Shelters are a lifeline for families in crisis. Some of the services that shelters provide are: Shelter, 24-hour counseling—24-hour crisis counseling, job referrals, legal counseling, and children's programs in addition to a wide variety of prevention programs. Preventing domestic violence is an essential part of what shelters provide. If we ever hope to see a change in the tragic cycle of violence, we have to focus on prevention programs.

These include training of policy and medical personnel, working with school curriculums, et cetera.

According to national statistics, we can expect 100,000 to 200,000 Georgia women to be victims of abuse this year.

The expense of violence in the family is devastating. Paramount, of course, is the loss of human lives and the spread of the disease of violence to the next generation. One-eighth of all homicides are spouse murders and these are not including boyfriend-girlfriend living together, this is just spouses. I read today that 40 percent of all women who kill their husbands and who end up in jail, were victims, chronic victims of domestic violence. Eighty-five percent of men in prison report they grew up in a violent home, most of these saw their fathers beating their mothers. We see this traveling from generation to generation. It is not something you can just ignore and hope it goes away in this generation.

In addition, the expense to the community is overwhelming. Many police deaths and most of their injuries result from answering domestic calls, their most frequent call.

Absenteeism from work due to domestic violence costs American businesses an estimated $3 to $5 billion a year plus another $100 million in medical expenses.

Attacks by husbands on wives result in more injuries requiring medical treatment than rapes, muggings, and auto accidents combined.

Shelters for battered women exist only through a concerted, cooperative community effort. Currently in Georgia, shelters receive no Federal or State dollars, soon to change with some Federal money that is going to be allocated soon. Support from local United Ways, church groups, civic organizations, and concerned individuals reflect the investment and commitment of these cities and towns across Georgia.

Citizens of these communities across these States are requesting that their State and Federal tax dollars be reinvested in services to protect and strengthen their greatest resources—their families.

Currently only 18 of Georgia's 159 counties have any services for battered women. Last year, crisis lines for battered women received 16,000 calls and shelters served more than 4,300 women and children. Most of these services, unfortunately, are available only in the cities, leaving unserved the vast rural area of the State.

The poverty that permeates the lives of women in rural Goergia makes abuse in the home an almost inescapable trap. A safe place for her and her children is something that few of these women can dream of, as they are left isolated, unheard, and unassisted.

The picture of poverty for women in rural Georgia is bleak. I think we have heard something about poverty in Georgia, but I think if we focus in on the feminization of poverty, we will see a pretty startling statistic.

Thirty-five percent head of households are below poverty level in Georgia. The average median income for a Southern black female is $3,718. Forty percent of all poor Southern households are headed by a female with no husband present. The proportion is more than two times as high for blacks as for whites. Fifty-four of Georgia's 159 counties have a 20-percent-and-above family poverty rate. Between 1960 and 1980 in the South, the portion of black family poverty represented by single mothers and children escalated from 27 to 59 percent.

For there to be a change in the face of poverty for rural Georgia women, an investment of dollars and resources must be made by the State and Federal governments in the form of dollars for shelters, job training, child care, and prevention programs.

For a poor woman trapped between the fist on one side of the door and hunger for her and her children on the other, crisis services that provide a hope for a violence-free life are a necessity.

Thank you very much.

Chairman MILLER. Thank you.

[Prepared statement of Margo Smith follows:]

PREPARED STATEMENT OF MARGO SMITH, GEORGIA NETWORK AGAINST DOMESTIC VIOLENCE, ATLANTA, GA

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Shelters are a life-line for families in crisis. Some of the services are: shelter, counseling, job referrals, legal counseling and children's programs in addition to a wide variety of prevention programs.

According to national statistics, we can expect 1 - 200,000 Georgia women to be victims of abuse this year.

The expense of violence in the family is devastating. Paramount is the loss of human lives and the spread of the disease of violence to the next generation. One-eighth (1/8) of all homicides are spouse murders, and 85% of the men in prison report that they grew up in a violent home.

In addition, the expense to the community is overwhelming. Many police death's and most of their injuries result from answering domestic calls, their most frequent call.

Absenteesim from work due to domestic violence costs American businesses 3-5 billion dollars per year plus another $100 million in medical bills.

Attacks by husbands on wives result in more injuries requiring medical treatment than rapes, muggings, and auto accidents combined.

Shelters exist only through a concerted, cooperative community effort. Support from local United Ways, church groups, civic organizations and concerned individuals reflect the investment and commitment of these cities and towns across Georgia.

Citizens of these communities across the state are requesting that their State and Federal tax dollars be reinvested in services to protect and strengthen their greatest resource - their families.

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The poverty that permeates the lives of women in rural Georgia makes abuse in the home an almost inescapable trap. A safe place for her and her children is something that few of these women can dream of as they are left isolated, unheard and unassisted.

The picture of poverty for women in rural Georgia is bleak.

- 54 of Georgia's 159 counties have a 20% and above family poverty rate. (Southern Regional Council, Nov. 1985)
- 40% of all poor Southern households are headed by a female with no husband present. The proportion is more than 2x as high for blacks as for whites. (SRC, Nov. 1985)
- The average median income for a Southern black female is $3,718 (1/3 that of white males) (SRC, Nov. 1985)
- Between 1960 and 1980 in the South, the portion of black family poverty represented by single mothers and children escalated from 27% to 59%. (National Advisory Council on Economic Opportunity, 1981)

For there to be a change in the face of poverty for rural, Georgia women, an investment of dollars and resources must be made by the State and Federal governments.

For a poor woman trapped between the fist on one side of the door and hunger for her and her children on the other, crisis services that provide a hope for a violence-free life are a necessity.

Georgia Network Against Domestic Violence
250 Georgia Ave., S.E. Room 367 Atlanta, Georgia 30312 (404) 524-3847

SHELTER SERVICES FOR BATTERED WOMEN

ALBANY
LIBERTY HOUSE
Box 373
Albany, GA 31702
(912) 439-7094

ATLANTA
COUNCIL ON BATTERED
WOMEN
Box 54737
Atlanta, GA 30308
(404) 873-1766

AUGUSTA
SAFE HOMES PROJECT
Box 386
Augusta, GA 30901
(404) 826-4565

BARTOW COUNTY
TRANQUILITY HOUSE
Box 1383
Cartersvilles, GA 30120
1-800-282-4504 or
(404) 382-1117

BRUNSWICK
AMITY HOUSE
Box 278
Brunswick, GA 31521
(912) 264-4357

CLAYTON COUNTY
ASSOC. ON BATTERED WOMEN
IN CLAYTON COUNTY
Box 595
Riverdale, GA 30274
(404) 966-HELP

COLUMBUS
COLUMBUS ALLIANCE FOR
BATTERED WOMEN
Box 5804
Columbus, GA 31906
(404) 324-3850

GAINESVILLE
GATEWAY HOUSE
Box 2962
Gainesville, GA 31403
(404) 536-5860

LA GRANGE
PROJECT L.O.V.E.
Box 2107
LaGrange, GA 30240
(404) 882-1000

MARIETTA
YMCA OF COBB COUNTY
WOMEN'S RESOURCE CTR.
48 Henderson St.
Marietta, GA 30064
(404) 427-3390

SAVANNAH
S.A.F.E. SHELTER
Box 22487
Savannah, GA 31503
(912) 234-9999

WAYCROSS
SHELTER FOR ABUSED WOMEN
& CHILDREN "THE SHELTER"
1204½ Blackshear Ave.
Waycross, GA 31501
(912) 285-5850

OTHER SHELTER (NOT PRIMARILY SERVING BATTERED WOMEN)

ATHENS
SALVATION ARMY SHELTER
Box 367
Athens, GA 30603
(404) 543-3508

DALTON
NW GA. FAMILY CRISIS CTR.
Box 554
Dalton, GA 30720
(404) 278-5586

GRIFFIN
CHRISTIAN WOMEN'S CTR.
Box 803
Griffin, GA 30224
(404) 227-3700

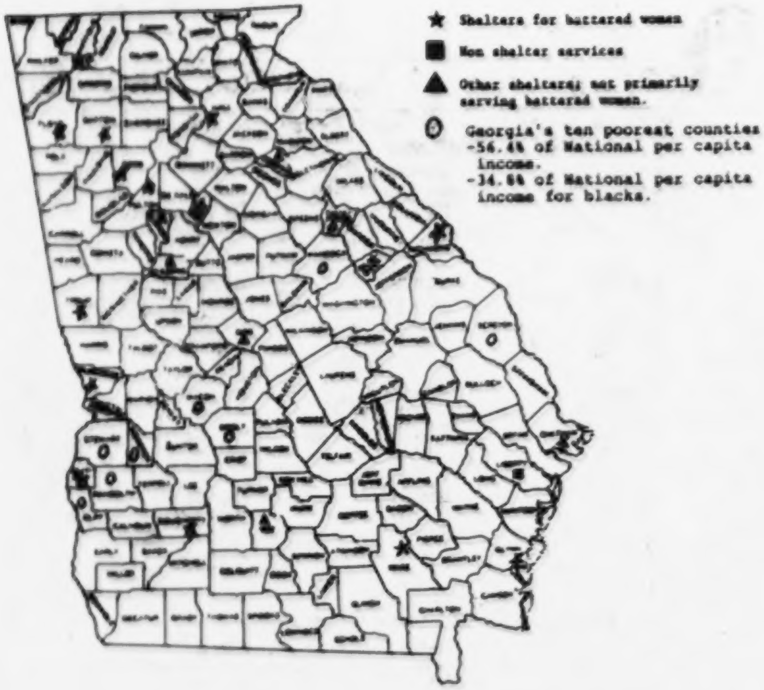
HINESVILLE *
COASTAL AREA COMM.
MENTAL HEALTH CTR.
Box 832
Hinesville, GA 31313
(912) 368-4357 or
368-4241

MACON
RESCUE MISSION
Box 749
Macon, GA 31202
(912) 743-5445

ROME
HOSPITALITY HOUSE
216 S. Broad St.
Rome, GA 30161
(404) 235-4673

TIFTON
BRO. CHARLIE RESCUE MISSION
Box 783
Tifton, GA 31793
(912) 382-0577

*Not a shelter.


★ Shelters for battered women
■ Non shelter services
▲ Other shelters; not primarily serving battered women.
○ Georgia's ten poorest counties
-56.4% of National per capita income.
-34.8% of National per capita income for blacks.

STATEMENT GUS KAUFMAN, MEN STOPPING VIOLENCE, INC., ATLANTA, GA

Dr. KAUFMAN. Thank you, Margo.

I am Dr. Gus Kaufman, and I am clinical director and a founder of Men Stopping Violence in Atlanta, GA. We are a nonprofit organization whose goal is to stop male violence toward women. Currently we provide counseling for 85 to 90 men a month in 6 batterers' groups and we provide individual counseling.

We arose from the battered women's movement, which Margo Smith also represents. That movement itself is an assertion of women's rights and it is thus a part of the larger struggle for social justice that our country at its best embodies.

I want to say a few things that I think are difficult to say, they do not get said often, especially by men, and it has to do with the situation of battered women and their children—our children—in this country.

Justice, as you heard from Margo, is still hard to find for battered women. This committee no doubt knows those statistics, that a woman is battered in this country every 18 seconds, that more than 1 million of these women need medical help. Dr. Rowland and I spoke earlier about when he worked in emergency service in Macon, in the hospital. Almost one-quarter of women who come to an emergency room come from injuries from battering, although that is often not recognized or asked about, historically.

Every day four women in this country die from injuries from battering. In yesterday's Macon Telegraph and News there was a story which reported that about one-half of all police injuries on the job, in the line of duty, are on intervening in domestic violence situations. What that story did not say is that the FBI uniform crime statistics reports, which say that 97 percent of those domestic assaults are males assaulting females. We often do not look at the realities of male violence toward women.

We know about the prevalence in this country of rape and of incest. We are finding out more and more about that. We know about the ways that labor and law maintain male privilege in the oppression of women and children in this country. And what I would like to talk briefly about today is what Men Stopping Violence and organizations like ours and the battered women shelters believe needs to be done to end male violence and end abuse of women.

We counsel batterers, men who batter their wives. They call us when the wife has left or the partner has left or when she has threatened to leave unless he gets help to end his violent behavior. More rarely a man will call us when the court has sentenced him—as a condition of probation following a conviction for battery or assault—to a counseling program like Men Stopping Violence. I say more rarely because in this country, it is very rare that a man is charged with battery when he has committed a domestic assault. It is even rarer if he is charged, that he is actually prosecuted and it is rarer still that he is convicted and sentenced—probably not 1 in 1,000 reach that point.

Groups like ours have some tools that we can teach men who batter their wives, that they can use to become nonviolent in relationships. We can teach them how to recognize red-flag situations, situations where he needs to take time out, leave the situation, take a walk, rather than to get abusive or violent. We can teach him to recognize his feelings, to express his feelings, to share with other men and his support group and thereby break his emotional addiction to his partner as the only one he shares with emotionally, the only one he lets know what is going on with him and therefore, the person he feels he must dominate and control to get his needs met.

There are only a handful of programs in the South like ours. And even in Atlanta where we are located, we see only a fraction of 1 percent of all the men who batter their wives. Outside of Atlanta, in the rural South, there are virtually no such services. So, we know that for this reason and for others, counseling of men who batter is not the primary answer. It is important because counseling programs give the lie to the belief that men cannot help themselves, that he is provoked by his partner and he has no choice other than to hit her or to physically assault her when she does something he does not like.

We have found in our work with men who batter, that men choose when they will batter, where they will batter and how they will be violent, and that they can learn to choose not to be violent. But the important work is with the courts, with the police, with legislatures, to develop policies, procedures, and laws that give clear, unequivocal messages to men that battering and other forms of violence will not be tolerated—coordinated policies of all of these people involved in our society.

Our society has a long way to go in this respect. Few batterers are arrested, fewer prosecuted, fewer still convicted and sentenced. So in effect we now give the message that battering is safe behavior. A man can blame a woman for his actions and he can get away with it, just as those whose duty it is at this point to protect citizens can blame her for not prosecuting or for dropping the warrant and they can get away with it rather than taking on the system that does not arrest, prosecute convert and that keeps her from being able to safely prosecute.

Our organization is directed by a woman, Kathleen Carlin, who headed a battered women's shelter and a rape crisis center for 6 years. We acknowledge in our structure and in our statements that battered women and their advocates speak for a reality that has not been allowed a voice, that has never had a voice. And too often battered women have not even been allowed to have a life.

We challenge the other systems in this society to believe battered women first of all, to believe their stories, to take their stories seriously, not to assume that a man's home is his castle, that what he does there is his business, even if it contravenes the law. We ask other men in power and in society to take seriously and to bring home a commitment to justice for all.

[Prepared statement of Gus Kaufman, Jr., Ph.D., follows:]

PREPARED STATEMENT OF GUS KAUFMAN, JR., PH.D., CLINICAL DIRECTOR, MEN STOPPING VIOLENCE, INC, ATLANTA, GA

Atlanta's Public Safety Planning and Research Unit estimates thirty thousand domestic violence calls for police services in 1984, representing no fewer than twelve thousand households. In DeKalb County, an estimated 1000 cases come before Magistrate's Court a year, many being repeat offenses. Services for the victim are beginning to be in place, but the Atlanta Council on Battered Women last year was able to shelter only a fraction of those requesting service.

The lessons that men learn about controlling, dominating and always winning play themselves out most tragically in the one out of every four marriages in which a man repeatedly batters his wife. Every 18 seconds a woman in this country is beaten by her male partner. The home, that place of supposed safety and nurturance for families, is, for 1.8 million women every year, a nightmare of terror and,for over 2000 women, of death.

These grim statistics reveal not only the extent of the problem but the reality that battering does not stop without intervention. Intervention occurs at all levels: at the societal level, with arrest and prosecution, at the level of the family, with safe shelter for the victims, and at the personal level with the individual batterer.

Men Stopping Violence is a private, non-profit, tax-exempt organization whose mission is to end violence against women. Founded in 1982 by two Atlanta psychotherapists, Dick Bathrick and Dr. Gus Kaufman, MSV is the only organization of its kind in the Atlanta area. Its unique integration of service and social advocacy makes it a powerful force for change.

While MSV has been in existence for over three years,its growth has depended on the extraordinary efforts and donated time of the two founders, Bathrick and Kaufman. Only this year was an active Board developed which acquired the organization's tax-exempt status and began a modest but successful fundraising effort that enabled them to hire, through a combination of partial payment and donated time, Kathleen Carlin, former director of the Cobb County YWCA Battered Women's Shelter, as part-time Executive Director and to open a small office. Funds have come from private donations, fees for service, small private grants, honoraria and, lately, DeKalb County. Still very much in its start-up phase, the organization faces an escalating dilemma of demand for services that rises constantly with MSV's increased credibility and visibility, and strikingly inadequate resources with which to meet the demand.

Even though only a very small percentage of batterers ever makes the extensive commitment to struggle with personal change in a treatment program, demand for these services dramatically outstrips MSV's present capability to meet them. At the same time, community education and advocacy activities, so necessary to curb battering, do not yield the funds necessary to support them. MSV's programmatic successes have placed severe stress on its underdeveloped organizational structure. In order to build on its foundation so painstakingly laid and be able to respond credibly to the need in the community, MSV needs operating funds support.

Already, MSV has gained recognition for its leadership and expertise in treating batterers and planning community intervention to stop domestic violence. Even before the recent hiring of staff and opening a small office, Bathrick, Kaufman and other men volunteers and group leaders have, in addition to conducting treatment services for men, provided training and given leadership to such groups as the Mayor's Task Force on Domestic Violence and Judge A.L. Thompson's Domestic Violence School Curriculum Committee. In April, MSV's Executive Director appeared on PBS's "Late Night America" as an expert on domestic violence.

MSV was recently featured in the Christian Science Monitor in an article on batterers. Numerous requests from the media for information following the murder in DeKalb County of Gwendolyn Grimmette, including publication of an article on the Op-Ed page of the Atlanta Constitution by the Board president, later reprinted in the Southern Feminist newspaper, attest to a growing public acknowledgement of MSV as a trusted authority on this issue. Regarding MSV's DeKalb County Court Intervention Project, Judge Ron Jason said,

> In counseling exclusively the male who batters, Men Stopping Violence provides an invaluable service to the community and to the courts in our attempts to reduce violent criminal offenses in the home. This group of dedicated and talented men focuses upon the root of the problem: the attitudes, pressures and reactions that lead men to strike out. I am glad they are in my courtroom when we conduct the Domestic Violence Calendar.

An associate of both the Georgia Network Against Domestic

Violence and the National Coalition Against Domestic Violence, MSV works in close alliance with the other pioneers in this work, particularly the Domestic Abuse Project in Minneapolis and EMERGE in Boston. MSV's design to address and find solutions to the problem of battering is a carefully structured program in which men take responsibility for stopping their own and other mens' violence against women through 1) treatment, 2) training and 3) community education and advocacy.

1. Treatment: MSV group leaders handle more than 150 calls per month from batterers, partners of batterers, referral sources and other members of the community wanting information about this problem. From a beginning of two groups started by Kaufman and Bathrick in 1982, MSV now operates five groups led by six trained leaders. Forty-five men, on an average, are enrolled in group at any one time.

2. Training: MSV's training component is two-part: its internal training of group leaders and volunteers, and training of other segments of the community. Six men have been trained as group leaders by spending 24 weeks as a member of a batterers' group plus 40 hours of didactic training and supervision.

In 1985, nearly 100 mental health and health professionals were trained in skills to recognize and intervene in battering situations. Groups included CPC Parkwood Hospital, the Georgia Association of Marriage and Family Counselors, Georgia Conference on Social Welfare, and workshops such as the Psychiatric Institute of Atlanta's conference on domestic violence, with Lenore Walker.

3. Community Education and Advocacy: Through a grant from DeKalb County, MSV has this year, joined with the Magistrate's Court to develop a court intervention program. Since that program began in July, MSV workers have spent an average 12 hours a month at the Domestic Violence Calendar Court, talking to an average of 60 defendants a month. Now, MSV's participation has doubled, with the instituting of a bi-weekly 90-minute domestic violence class. In 1985, men working with MSV, either as group leaders or as strictly volunteers, participated in 80 different speaking events, interviews with the media, and meetings in the community advocating for solutions of the problem of battering.

Addendum to testimony of Gus B. Kaufman,Jr. Ph.D., Men Stopping Violence, Inc.

Men Stopping, Inc.was founded in 1982 in Atlanta, Ga. Our goal is to stop male violence toward women. Currently we provide counselling for 85-90 men per month in six batterers' groups and individual counselling.

MSV arose from and is a part of the battered women's movement. That movement itself represents the assertion of women's rights and is thus a part of the larger struggle for social justice which our country at its best embodies.

For battered women and their children justice is as yet hard to find. This committee no doubt knows that in this country " a woman is battered by a husband or boyfriend every eighteen seconds...that more than a million of these women need medical help each year. Every day, four die."(Reader's Digest, January, 1986).

You know the prevalence of rape and incest, the inequalities of income, labor and law which maintain male privilege and the oppression of women and children. I would like to tell you today what Men Stopping Violence does, and what we believe needs to be done to end abuse of women.

As I mentioned before, we counsel batterers. Men call us when their wives or partners have left or threatended to leave unless the man gets help to end his violent behavior. More rarely, as yet, a man calls us when a court has found him guilty of battery or assault and sentenced him to MSV counselling as a condition of probation. MSV and other batterers' programs around the nation have developed a good set of tools a man can use if he wishes to become nonviolent in relationships. In group he learns to recognize "red flag" situations and take a "time out" at that point; to recognize and express his feelings and to depend on other men in the group for emotional support, breaking his addictive habit of always expecting this from a partner who he then feels he must, and has the right to, control.

But MSV is one of only two such programs in Georgia; one of only a handful in the South. Even in Atlanta we serve only a fraction of a per cent of men who batter. Outside Atlanta, and especially in the rural South there are virtually no such services. We know therfore that counselling for men who batter cannot be the answer. Yet it is important for it gives the lie to the belief that a batterer is provoked, that he has no other choice. We have found that batterers do choose when and where and how they will be violent, and that men can choose not to be violent.

MSV also works with courts, police, and legislators to develop policies, procedures, and laws which give clear and unequivocal messages that battery will not be tolerated. Our society has a long way to go in this respect. Few batterers are arrested, fewer prosecuted, and still fewer convicted and sentenced. This gives men the message that battery is safe behavior. A man can blame the woman for his actions and "get away with it," just as those whose duty it is to protect citizens can blame her for not prosecuting, dropping the warrent, etc. and get away with it.

Men Stopping Violence, Inc. is directed by Kathleen Carlin, M.S.W., a woman who headed a battered woman's shelter and rape crisis center for six years. We acknowledge that battered women and their advocates speak for a reality which has not been allowed a voice, or too often, a life. We challenge other systems to believe battered women, to take their stories seriously, not to assume "a man's home is his castle, and what he does there is his business," even when it contravenes the law. We ask that other men too take seriously--bring home-- a commitment to justice for all.

Chairman MILLER. Thank you.

STATEMENT OF BONNIE ENGLE, EXECUTIVE DIRECTOR, GEORGIA COUNCIL ON CHILD ABUSE, ATLANTA, GA

Ms. ENGLE. Thank you, Mr. Chairman and the committee, for this opportunity. My name is Bonnie Engle, and I am executive director of the Georgia Council on Child Abuse. We are the Georgia affiliate for the National Committee for the Prevention of Child Abuse and Parents Anonymous. As a nonprofit organization, we are volunteer based with strong emphasis on prevention.

Child abuse reporting has doubled in Georgia in the last 4 years, which puts us at the top of the list across the country. With 26,511 new cases reported last year, we know that this is only the tip of the iceberg of children and families suffering from the terrible pain.

Georgia officials attribute this vast increase in reports to an increase in two factors, family stress and public awareness. More single parent families, greater mobility, economical stresses and increased use of drugs and alcohol all lead to greater isolation of families and potential for abuse. Probably an even greater factor in the high rate of reporting in our State is the increased public awareness of child abuse. Two years ago, Georgia was covered with a campaign that specifically was geared to report child abuse. That campaign was entitled "It's OK to tell" and initiated by the Governor, Department of Human Resources and the Medical Association. In this campaign, Georgia citizens received a strong message, and that was that child abuse is unacceptable and that it needs to be reported.

The Georgia Council on Child Abuse holds as its sole mission the prevention of child abuse in all of its forms. We are committed to channeling the interest and awareness of child abuse into prevention efforts in every community.

We recognize the price that society pays for its abused children; the cost of foster care, treatment, penal institutions, juvenile delinquency and violent crimes. We have the vision that healing the fractures, nourishing the neglected, counseling the perpetrators and victims is not enough, it is not the solution. Education for prevention before the abuse, this is going to be the long-term solution.

The Georgia Council on Child Abuse works toward the goal to have child abuse prevention services available for all. Rural communities are faced with unique challenges; with limited services, inadequate transportation, and issues related to lack of anonymity, these challenges require the combined expertise and resources in a community—religious, civic, human service, educators, law enforcers, corporate leadership; all need to come together in order that the five following prevention goals can be met.

One, that all adults should be educated about the existence of child abuse, convinced that it can and shall be prevented, and that they should know what they can do to help prevent abuse. And the campaign that I mentioned earlier across the State is one example of how our citizens are doing it.

Two, parenting education and support services should be available to all first-time parents. An example of this is the First Steps

Program which is a volunteer hospital-based program providing parenting information and support to all new parents. It begins before they leave the hospital and continues through the first critical weeks at home. The research base shows that the earlier intervention occurs, to support, monitor, and redirect high-risk parents, the greater the odds of success in prevention. This program is now in three hospitals in Georgia and based on the interest in hospitals and from volunteer groups across the State, we expect that First Steps will be State-wide within a few years.

Three, child abuse prevention education should be available to all elementary school children. An example of what is going on right now, in south Georgia Colquitt County, through a volunteer-based group, school prevention programs are now available for all children in grades one to three. In 2 years, the prevention programs will be incorporated in all grades in all public schools in this county.

Four, all teenagers and young adults should know about all types of child abuse, what the warning signs are, and how to reach out for help should they perceive the warning signs in themselves. This goal is being met in a variety of ways. One of the most effective programs incorporates drama into a curriculum. The nationally acclaimed play "Touch" and Georgia-developed play "Private Places" are two examples of how some young adults are getting this message in our State.

Five, self-help groups and other support services should be available to all parents under stress, victims and perpetrators. For example, Parents Anonymous groups continue to successfully aid troubled parents in reducing and preventing abusive behavior. Adult survivor groups provide needed support to victims of sexual and other abuses, breaking the vicious cycle. Therapeutic services for abused children and for perpetrators are underdeveloped at this time in Georgia.

We look to a day when all of these services will be widely available. It will take a broad-based community effort. The Georgia Council on Child Abuse is focusing much of its energies on the development of volunteer-based child abuse councils, a diverse group of citizens who will take the leadership in making sure prevention becomes an integral part of each community's services. Currently, 20 such councils exist in our State, many are in predominantly rural counties. This number will double over the next year. These are the groups which this State is counting on to make prevention services available to all.

A 53-year-old child abuse victim, responding to a recent television broadcast on child abuse, called our toll-free helpline to say, "Thank you for finally giving me the courage to get help. But if only this had happened when I was a teen. What a difference it would have made for me and my family."

Our challenge is here. We ask your help to make sure that no one forgets that child abuse is unacceptable, it can be prevented and that there is help available.

Thank you.

[Prepared statement of Bonnie Engle follows:]

Prepared Statement of Bonnie B. Engle, Executive Director, Georgia Council on Child Abuse

Child abuse reporting has doubled in Georgia in the last four years. With 26,511 new cases reported last year, we know that this is only the tip of the iceberg of how many children and families are suffering from this terrible pain.

Georgia officials attribute this vast increase in reports to an increase in two factors - family stress and public awareness. More single parent families, greater mobility of families, economical stresses, and increased use of drugs and alcohol all lead to greater isolation and potential for abuse. Probably an even greater factor in the high rate of reporting is the increased public awareness of child abuse. Two years ago, Georgia was covered with a campaign specifically geared to reporting child abuse. Entitled "It's OK to tell," and initiated by the Governor, Department of Human Resources, and the Medical Association, Georgia citizens received a strong message - child abuse is unacceptable, and it needs to be reported.

The Georgia Council on Child Abuse, as a non-profit volunteer based organization, holds as its sole mission the prevention of child abuse in all of its forms. We are committed to channeling the interest and awareness of child abuse into prevention efforts in every community.

We recognize the price society pays for its abused children - cost of foster care, treatment, penal institutions, juvenile delinquency, violent crimes. We have the vision that healing the fractures, nourishing the neglected, counseling the perpetrators and victims is not enough. Not the solution. Education for prevention before the abuse - this is the long-term solution.

The Georgia Council on Child Abuse works towards the goal "to have child abuse prevention service available for all." Rural communities are faced with unique challenges - limited services, inadequate transportation, and issues related to lack of anonymity in small communities - which require the combined expertise and resources in a community (seniors' groups, religious institutions, civic groups, students, community volunteers, human service professionals, educators, law enforcers, and corporate leadership) in order that the following prevention steps be taken:

1. All adults should be educated about the existence of child abuse, convinced that it can and shall be prevented, and that they will know what they can do to help prevent abuse.

   For example:

   In Georgia we are conducting awareness campaigns, workshops and prevention conferences, training and development of protocol for professionals working with sexual abuse, and sensitizing elected officials and media representatives to the complex needs of abusive and neglectful families.

2. Parenting education and support services should be available to all first-time parents.

   For example:

   Using volunteers, the "First Steps" hospital-based program provides parenting information and support for all new parents, beginning before they leave the hospital and continuing through the first critical weeks at home. The research base shows that the earlier intervention occurs - to support, monitor and redirect high-risk parents - the greater the odds of success in prevention. This program is now in three hospitals in Georgia. Based on the interest from hospitals and volunteer groups, "First Steps" is expected to be state-wide within a few years.

3. Child abuse prevention education should be available to all elementary school children.

   For example:

   Through the efforts of a volunteer-based group in Colquitt County of Georgia, school prevention programs are now available for all children in grades 1 to 3. In two years, prevention programs will be incorporated in all grades in all public schools.

4. All teenagers and young adults should know about all types of child abuse, what the warning signs are, and how to reach out for help should they perceive the warning signs in themselves.

   Many creative approaches are meeting this goal. Some of the more effective programs incorporate drama into a curriculum. The nationally acclaimed play "Touch" and Georgia-developed play "Private Places" are two examples of how some young adults are getting this message in our state.

5. Self-help groups and other support services should be available to all parents under stress, victims, and perpetrators.

   For example:

   Parents Anonymous groups continue to successfully aid troubled parents in reducing and preventing abusive behavior. Adult survivor groups provide needed support to victims of sexual and other abuses - breaking the vicious cycle of abuse. Therapeutic services for abused children and for perpetrators are underdeveloped at this time in Georgia.

We look to a day when all these services will be widely available. If these prevention components are to be available for each community, it will take a broad based community effort. The Georgia Council on Child Abuse is focusing much of its energies on the development of volunteer-based child abuse councils, a diverse group of citizens who will take the leadership in making sure prevention becomes an integral part of their communities' services. Currently, twenty such councils exist in our state, many in rural counties. This number will double over the next year. These are the groups which this state is counting on to make prevention services available to all.

A fifty-three year-old child abuse victim, responding to a recent television broadcast on sexual abuse, called our toll-free helpline to say "Thank you for finally giving me the courage to get help. But if only this had happened when I was a teen. What a difference it would have made for me and my family."

Our challenge is here. We must not let anyone forget that child abuse is unacceptable, it can be prevented, and that help is available.

Chairman **Miller**. Thank you.
Reverend McKinney.

STATEMENT OF REV. ARNOLD McKINNEY, PROGRAM COORDINATOR, GENERAL MISSIONARY BAPTIST CONVENTION AND PASTOR OF MACEDONIA BAPTIST CHURCH, WAYCROSS, GA

Reverend **McKinney**. My name is Arnold McKinney. I am the program coordinator for the General Missionary Baptist Convention of Georgia and the pastor of the Macedonia Baptist Church in Waycross, GA.

I am delighted to be able to testify this afternoon in front of this committee, and I thank you for this opportunity. My testimony probably should have been placed at another segment, since I am not dealing with child abuse or spouse abuse.

What I would like to talk about just briefly is a model for working with the State and the church that has developed in the State of Georgia but is in its infant stages right now, and just give you the background and tell you how it came about and where we think we are going.

About 4 years ago, the Governor's Council on Family Planning convened a meeting of the ministerial community of Georgia to talk about family planning issues, issues that really are generally not discussed with the very conservative religious community of the State of Georgia.

The main purpose was just to give information out. Out of that meeting, 2 years later, the State of Georgia—Health Department of the State of Georgia funded, through funds that they receive from the Federal Government, a 2-day meeting of the religious leaders in the State of Georgia to discuss all the programs of the Health Department and how those programs might be better utilized in the community. The purpose was for the religious community to be able to go back to their churches and inform their congregations of what the Health Department had to offer for those communities, and then to also discuss programmatic problems that the religious community was able to see what was happening between the Health Department, the Department of County Health and their parishioners.

That meeting evolved the next year into an even broader meeting, again paid for by the State government, of the religious community and all the members of the Human Resources Department of Georgia, which includes the Department of Family and Children Services, Department of Rehabilitation Services, Department of Mental Health, Retardation, Substance Abuse, the Youth Services, the Office of Aging, the Department of Children Abuse and Department of Public Health. We shared program ideas, discussed areas of possible mutual activities and gave the religious leaders a chance to feed back to the Human Resources people what they felt their primary concerns were, what the problems were in the community and then opened up an avenue for communication about how the churches might really be able to help the State in delivering services to the people.

We also discussed at length the problem of the separation of church and state. And I think we concluded that there really is not a problem, but that we are dealing basically with the same commodity, that is people in need.

The church in the South, especially the black church, is still the primary place where people go when they have a problem, when they are in stress. The black church still serves as a place where people go even if they end up at an abuse center or at a health department or some other area, the primary area is still the church.

We have to deal with the fact that a lot of our people go to areas—go to places for assistance and they are met with discrimination, racism, insensitivity more than anything else. That also comes back again to the church. So we have been discussing this with the Human Resource leaders of the State.

And let me give you an example of what I think has really helped in these situations. On the local level, we took the State conference and in the area where I pastor, the Waycross area, we had a local meeting of people who were nurses in county health departments, people who worked in the mental health area, people who were first line people with State agencies on the county level. That gave us a chance to really tell them firsthand what they were doing when our people went to them for help. I think this has helped a lot. It has not increased the amount of money that these agencies desperately need, but it has made their dealing with some of the problems a lot easier, especially from our point of view.

The church is suggesting certain areas that we might be able to help with State and Federal delivery of services. Home visitation by church members, especially with the elderly, would be a way that could cut down the cost of State operations. Community education and outreach, a lot of our people just suffer from the fact that they do not realize that services are available. If you live in the backwoods of some of the south Georgia towns, the only way that you have to find out about some things that are available is if your minister happens to tell you, you have no other way to find out.

Access to services is a problem for people who need transportation. Transportation is generally available, most churches have transportation available to them through church vans and cars of people who go to the church.

We talked about decentralization. An example I can give you would be a health clinic placed in a church facility. Church facilities are notoriously underused. They are built—I will give you a very good example, take our church, which was built basically for Sunday morning, choir rehearsals, and a couple of classes a week. But we have 11 classrooms, an industrial-type kitchen, huge fellowship hall, and a sanctuary which could all be used a great deal of the time during the week without any infringement upon the religious activities of the church. Human resources of the church could also be used. In our small church, we have eight registered nurses. We are about to conduct a health screening day for our community where the people will be able to come in. We are prevailing upon some doctors to come in and give their time free of charge to give some screening to some patients who otherwise would not get to the doctor. Medicaid and Medicare is very good once you get sick, but there is not much help for people who are not sick.

We have been discussing commodity distribution out of the church which would help decentralize that problem. We have discussed providing shelter for battered women because one of the problems that we run into for short-term shelters is that there is not a place. There are churches in every community and the church should be in the forefront of trying to solve this problem.

Stress counseling should be available through the church, and this is something again that is available and should be available without charge through the church, to reduce some of the load or make it easier on the State facilities.

Tough decisions have to be made and I think the church is going to have to help lead—Congressman Coats asked a question about deciding where the money was going to come from. And he was asking the extension people about it, but I really think the State government, the Federal Government, the local government has got to spend some time making some tough decisions about where the money is going. We have been told, and most of us do not believe, that there is no money. We look at the budget and we see money being allocated for things that we probably would not agree with. But nevertheless, we know that tough decisions have to be made, and if they are going to be made, we need to know from the Government where the money is going to go. I think the Federal people and the State people need to get together so that the State government can sit down and go to their local level and say, look, the Federal Government is no longer going to be doing XYZ, and we have got to assume this burden and some of it is going to be passed down to you. I think that negotiation and discussion needs to start, not at the bottom, but at the top.

You have my written testimony, but I would like to add that I do not think the look-mom-no-hands approach to budgeting that Gramm-Rudman has produced is really the answer to the question. Somebody needs to make a decision and to have some discussion about it.

Someone else was supposed to testify with me and I do not want to leave out anything. One thing that we do want to make sure that everyone understands, we realize the church—and we want the Government to realize—the church cannot be a substitute for State government or the Federal Government. Private charity cannot replace what the Federal Government has been providing. But we do also realize that the church was the primary and the first office of welfare. The Biblical basis for that is found throughout the Old Testament and New Testament. The church has to get back into the forefront for social justice and welfare. It is particularly disturbing to really understand when you hear about abuse, especially spouse abuse, and to realize that the theology of many of our churches supports the abuse of women. I think the church needs to do something about that.

That is not in my testimony but I need to add it.

Chairman Miller. It is now. [Laughter.]

Reverend McKinney. Thank you very much.

Chairman Miller. Thank you.

[Prepared statement of Rev. Arnold McKinney follows:]

Prepared Statement of Rev. Arnold McKinney, Pastor, Macedonia Missionary Baptist Church, Waycross, GA

Previous testimony has established that the State of Georgia (especially the Division of Public Health,Georgia Department of Human Resources) has attempted to forge a working relationship with the church community in addressing the needs of the people. Many in government have approached this relationship of church and state as a viable solution to the economic and political restrictions that have been imposed upon the government's' attempts to serve the needs of the poor and the disadvantaged. It should be noted that the church community does not see itself as a savior of the segments of government which cannot perform its responsibilities because the present administration believes "it is more blessed to judge than to help the poor," and that "private charity is an adequate substitute for public justice."[1] The church cannot replace the government. It should also be noted that the church's involvement in the delivery of services to the poor and the disadvantaged is not a new policy, but the enactment of an old challenge.

The challenge to the church has not changed since Jesus of Nazareth gave the ministry its job description almost two-thousand years ago. The challenge of the church is to do in the this present age what Jesus did as He walked upon this earth. The church's role in society must be seen in light of its founder's description of His work:

> "...the Spirit of the Lord is upon me, because he hath anointed me to preach the gospel to the poor; he hath sent me to heal the brokenhearted, to preach deliverance to the captives, and recovering of sight to the blind, to set at liberty them that are bruised,to preach the acceptable year of the Lord." (Luke 4:18-19,KJV)

The religious community,especially that segment that ministers with the poor and the disadvantaged,must be healers of those in pain, deliverers of the downtrodden, and trumpeteers of hope. The religious community must seek to diminish the pain and hurt caused by poverty, disease,racism and economic disruption. Many of the people, especially the community of the black church, are oppressed and enslaved. This oppression and enslavement exists in many forms: chronic unemployment and underemployment; drug and/or alcohol abuse; lack of available and affordable health care; racially biased criminal justice systems; and inadequate educational systems.

The bureacracy, even under what the black church might call the enlightened leadership of the 1960s, could not and cannot adequately

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address these issues unless the church is properly ministering to the total needs of the community. If these problems are to be properly addressed, the individual must be ministered to in a holistic fashion: mind;body;soul; and spirit. The government is now learning what the church has always known. It is impossible to heal a person physically without ministering to the totality of the person. This same approach must be taken when the community is being served,also. An obvious example can be drawn from the programs of the public health departments of our communities. The State has recognized that "technologies have reduced or elimanated many of the infectous and communicable diseases" that plagued our communities in the past. "The contemporary causes of illiness and death are, for the most part, the diseases that develop and accelerate in severity as a result of unhealthy life styles.[2] The government is ill-equipped to address the issues involved with the changing of life styles.

The government, even when it has the financial resources and the political will, cannot properly address the causes of many health and welfare issues of the poor and the disadvantaged. At best, the government can deal with the surface symptoms (results) of these problems. For example, everyone in the nation agrees that we are currently engulfed by an epidemic of teenage pregnancies. The liberal segment of the government wishes to address this issue by the unhampered and indiscrimnate distribution of birth control The church knows that birth control only addresses the physical symptoms or results of the problem. Birth control information and articles should result in a decrease in the number of babies born to teenagers, but birth control does not address the cause of the epidemic: sexual activity amongst the members of the community who are least prepared, physically,emotionally and financially to pursue this activity. When teenage mothers are questioned about their reason for early sexual activity, the majority respond that they were seeking an expression of love and affection. Sexually active teenage males are often found to be attempting to prove their manhood. The government cannot adequately address the need for love or self-esteem. The church must adress these needs or relinguish its claim to be representatives of Christ on earth.

The church and the government must work together. Most people cannot understand the fragmentary and impersonal delivery of services that is the hallmark of government bureacracy. In many communities, especially in the poor communities of the rural South, the church is still the place where most people in need of help go for assistance. The church must be prepared to assist these people through the maze of government assistance and non-assistance and to help the people and the government address the causes of the problems faced by the poor and the disadvantaged. However, in its eagerness to forge a working relationship with the government, the church must not forget that the causes of many of the problems of the poor and the disadvantaged is past and present racism, discrimination, and economic darwinism. The church must not forget that it has a higher calling than the government.

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As the church works with the government it must remember that it cannot become part of the government. It would have been impossible for Moses to lead the children of Israel out of captivity if he was employed by the Pharoah. (Whoever pays the piper,calls the tune.) The church, in working with the government must remember that primarily the relationship of the church and the state is an adversial one. The religious community must do more than provide a soft shoulder upon which the people can cry. The religious community must work with the government by constantly advising governmental leaders and bureacratic administrators of the need to invest in the struggle to produce a generation of healthy children and strong families. We must influence the electorate to recognize that if the present budgetary course is pursued that by "1990 every American will be spending 21 percent less on poor children and 58 percent more on the military than we did in 1980."[3]

We must not let the "New Right" throw out the baby with the bath water. We know that many of the social service (welfare) programs are not productive, but we must not let the few endanger the many successful and cost efficient programs. Head Start, W.I.C. and Medicaid are but a few of the many successful programs that the religious community must continue to support.
As we work with the government we must struggle to make the government more humane, compassionate, and accountable. We must work with the government, its leaders and administrators, in such a fashion that the religious community's voice for a positive vision for the poor and disadvantaged will not be heard as a strident voice of uniformed opposition.

In conclusion, the need for a vigorous defense of the continued separation of church and state not withstanding, the religious community and the state must realize that we do have one very important common ground: people in need of ministry and service. The religious community and the government should have a common standard of success in dealing with the poor and the disadvantaged. This standard of success has been aptly articulated by an itnerant preacher of unquestionable experience in the delivery of services to the poor and the disadvantaged. A follower of this preacher, who used to be a government bureacrat, recorded the preacher's words as He instructed His followers (then and now) on what was necessary for them to be called successful:

> "For I was an hungered, and ye gave me meat: I was thirsty, and ye gave me drink: I was a stranger, and ye took me in: Naked,and ye clothed me: I was sick,and ye visited me: I was in prison,and ye came unto me...And the King shall answer and say unto them Verily I say unto you,Inasmuch as ye have done it unto one of the least of these My brethren, ye have done it unto me." (Matthew 25:35ff.;KJV)

Thank you for your time and consideration.

Respectfully Submitted:

Reverend Arnold McKinney
Pastor,Macedonia Missionary Baptist Church,Waycross,Georgia

Program Coordinator,General Missionary Baptist Convention of Georgia,Inc.

April 21,1986

Chairman Miller. Margo and Bonnie, we have witnessed now cycles of unemployment and economic distress with respect to families, and we seem to be able to pretty well document an increase in child abuse, and spousal abuse, and a lot of other things that we have heard about this morning which happen when families come under this kind of stress. Am I correct to make the assumption that is also true in rural communities when these families come under stress?

Ms. Smith. I think stress is always a contributing factor to violence—increase in alcoholism—all those things contribute to violence. I hate to put—I hate to say that it is all associated with economics, because we see—domestic violence never stops.

Chairman Miller. I understand that. But we have charted the last several recessions and we see significant increase in unemployment accompanied by significant increases in the manifestation of violence, or substance abuse, or alcohol abuse, or what have you, and I just wondered if that is also true in rural communities in this State.

Ms. Smith. It would be real hard for me to say anything about domestic violence in rural communities because there are no battered women hotlines and there are no statistics that we keep.

Chairman Miller. Apparently the Macon Police do. According to yesterday's newspaper they are figuring out how many of their officers are getting hurt answering domestic quarrels.

Ms. Engle. With child abuse, it obviously is a factor in rural communities that economics are going to affect how parents and how adults take out their stress on kids. Yes, we see an increase.

Chairman Miller. Would it be incorrect to assume that if these families had not manifested some form of abuse, whether spousal or child abuse, prior to an incident like unemployment or foreclosure of the farms——

Ms. Engle. Well, those of us who have worked with violence, family violence, recognize that family violence is a cycle and that most of us have some potential to be violent to kids and most of us have support systems. When those support systems get to a point where they break down or they get too much to handle, if a family, if a parent, if a spouse does not have that kind of support built around them—and sometimes it is internal—they can easily act out. So it is possible that a family has not experienced violence prior to all the economic stresses but will act out with violence when those stresses come.

Chairman Miller. Reverend McKinney, I assume you are saying in your testimony that you do not think that the church has perhaps fulfilled its full potential in providing that kind of support for its members.

Reverend McKinney. The Southern churches are notoriously conservative when it comes to the rights of women and also for the enlightened rearing of children. The spare the rod, spoil the child can be very well misinterpreted into child abuse, and I think the church has not really seen the necessity for really interpreting that scripture in the light in which it was given.

Chairman Miller. Dr. Kaufman, you mentioned that your program is used in some instances as part of a diversion program, or a condition of probation in the case of spouses who abuse their spouses. How prevalent is that, are judges in the Atlanta area willing to use your organization and to make participation a condition?

Dr. KAUFMAN. We have the beginnings of a program in De Kalb County right next to Atlanta and we have a sporadic use in Cobb County and in Fulton County. But, by and large, the vast majority of wife abuse, partner abuse, never reaches the judge and the judges do not even know of our program. If they were to use us, we could not handle the men they refer to us because we do not have the financial resources, the counselors, training, we do not have anything like the ability even if they were using us, which mostly they are not.

Chairman MILLER. So what would be the typical case? In my area of California, you know, we have programs for fathers who sexually abuse their children, and the Parents United Program is part of a diversion program. It seems to be rather successful, if not with helping the family to survive at least helping those individuals to survive a rather traumatic experience. But there it is really extensively used by the police departments, they think rather effectively.

What would be the typical case? Are you talking about repeated violence, where the police break up the violence, or the neighbors do, and things calm down, and then the incident flares again?

Dr. KAUFMAN. Well, Margo might can speak to what is a typical domestic violence case in Georgia right now. A man who comes to us is a man—is an exceptional batterer. Perhaps you could speak to what a typical—what would happen in a typical battering case in Georgia today?

Ms. SMITH. Well——

Chairman MILLER. First of all, are they filed as battery cases?

Ms. SMITH. Well, the call does not go out specifically, you know, a man beating a woman. It is a domestic call. So a police officer really does not know what he is going to get into. Most calls—most police would prefer not to arrest, would prefer—this is generalization, some police forces do use arrest, but most prefer not to arrest, to mediate or remove one or both partners, either/or partner at the time. In extreme cases, of course, they are—well, first they would ask the woman if she wanted to press a warrant. She would have to take out her own warrant. There is, currently the law states that a police officer can arrest on probable cause, but this is rarely used. Once again, in Atlanta they are starting to use it more, but a police officer can arrest on probable cause, if they see evidence of what can happen, they can arrest. But so few times does that even get any further along in the prosecution process. As Gus pointed out, there are very few times that a man does serve time. And——

Chairman MILLER. The expectation would be that there would then be a repeat offense at some later date.

Ms. SMITH. Yes. And perhaps even worse. That is the tragedy. In domestic homicides the police have been called at least five times usually.

Chairman MILLER. To that address.

Ms. SMITH. To that address.

Chairman MILLER. Congressman Coats.

Mr. COATS. Reverend McKinney, I appreciated your testimony, particularly your remarks that—in both your written statement and your oral testimony—about the role of the church in all this. I too have felt for a long time that the facilities of the church are really extremely underused in addressing not only the needs of the church body itself but of the surrounding community. In many respects, we do have magnificent physical facilities that are used once or twice a week and within that we have the resources of trained teachers, doctors, nurses, educators and others that if properly employed and motivated can really provide a more than supplemental approach to dealing with our social problems.

What I particularly appreciated was the fact of your recognition that many of the social problems that we currently face require a holistic approach to the therapy for those problems, and that while we can address certain things at a governmental level, without providing that spiritual dimension we may not be solving the problem. Your illustration of teenage pregnancy I think was particularly to the point. Many of you probably saw the Bill Moyers' documentary about the crisis in Latin America and the problem with teenage pregnancy. I think they brought out the point that many babies are conceived not out of a need to tap the welfare system but simply as a means of self-expression, of self-appreciation, of love, self-respect, whatever. At the spiritual dimension, the government probably cannot even address, so I appreciate you bringing that out. I think that is an important dimension that we ought to be looking at as a part of the policy.

And finding that proper role for the church in the interaction of church and government in carrying out some of these programs is something that we need to focus on.

That is more a statement than a question, but if you want to follow up and say more about that, I would like to hear it.

Reverend McKINNEY. In Georgia I can tell you something that has happened as an outcome of communities just talking to each other, the religious community and the State government. You would not expect sex education programs in the churches, at least not in Georgia. But our convention, which is about 600 churches, have been arguing that that is where sex education belongs, in the church, because it is not a question of technique which does not have to be taught. If you witness dogs on the street, you will notice that they do not take sex education in school, but they know how to perform the act.

The point that we need to stress is the self-esteem of young men and young women. Somehow that has to be enhanced enough so that they do not have to feel that in order to be a man they have got to go to bed with somebody's child or in order to be a woman or to be fulfilled that they need to go to bed with someone. The problem that is so sad is that the same people who are having children are going to be very strong candidates, teenage candidates for abuse.

I would like to comment on something that you mentioned. Congressman Miller asked about what went on in California. There is such a vast difference between the cultural setting of California and the cultural setting of Georgia, and in a great many communities in Georgia, women are not viewed in the same light as they would be in California. If you look at some of your State laws in

California in terms of community property, it would be an interesting comparison.

Police go to a house and there are quite a few policemen who go with the attitude that this man has a right to beat this woman because she is his. They would no more arrest him for that than you would probably for someone beating a farm animal, because a farm animal also belongs to him. That is a problem that we are running into in terms of attitude. I think the church needs to do a reeducation or an education here. We can do a much better job than the State can in this case in trying to educate people to the equality of women and the rights of children.

Mr. COATS. Thank you, Mr. Chairman.

Chairman MILLER. Thank you.

Mr. Levin.

Mr. LEVIN. Let me just ask you as we close this, we are talking in part about rural Georgia, smaller town Georgia, and several of you working on child abuse, spousal abuse problems, are in Atlanta. It has earlier been said there are almost two States here. That is not unique. In Pennsylvania they say there are really three States. I do not know how many there are in Michigan. But anyway, briefly, how do you think that services that are now not available in parts of rural Georgia can be made available? How are you going to expand the network?

Ms. ENGLE. The Georgia Council on Child Abuse is doing this in several ways. First of all, yes, we are in Atlanta but we also have regional resource offices in various parts of the State, including Albany, Brunswick, and Athens, which bring the services closer to many, many communities.

We believe child abuse can be prevented only when there is a total community commitment to doing it and each community is going to have a different kind of commitment and different answers to different problems—sometimes the same problems. It is through local child abuse councils that we are implementing many of the goals that I have mentioned, getting those localized to each community. Funding is always a problem. Our organization—does not have any Federal dollars. We do have significant State support and also a lot of private funds, but most of it is from volunteers and from local community donated resources.

We have used some of our State funds this year in incentive grants providing small incentive grant money to communities to start these programs. A thousand dollars is barely no money but some of these communities could take those dollars and just multiply it 10 times, 20 times. We would like to see incentives continued and expanded greatly. There is no reason that every county in the State should not have a focus on child abuse prevention as in the other domestic violence issues. If we can get the incentives out to them, through training and through some incentive grant dollars, we see this as one way to multiply the resources that we have.

Ms. SMITH. I would just like to follow up on that and say included in your package is a little map of the State and you will be able to see where the domestic violence programs are. We believe firmly that shelters for battered women should come from the community. They should not come from the State down or from the Federal level down. They should develop from the interests and the commitment of the community and the community must provide the major support, both in dollars, donations, volunteers, hours. Most shelters exist with one or two staff people and the rest are volunteers.

We currently—this past year we received money from the State and Federal foundations to open a State office, and myself and another staff person, that is what we do. We travel around the State and help groups in places like Sylvania, Valdosta, Fannin, and Gilmer Counties in the north section. We have had 10 new developing groups contact us and say we need help, please come and help us figure out what we can do in this community. We will go there and provide them with any kind of skills, resources, to help them develop, instead of the State coming in and saying, well, this place needs a domestic violence shelter and we will put it in. That is not how currently we are going to do it, and that is how we think shelters will develop in each community as those people in the community see the need and then get some help to develop it. And I think reiterating Reverend McKinney, churches are also there in the community and they see this is a problem and our office can help them come up with solutions.

Chairman MILLER. Congressman Rowland.

Mr. ROWLAND. No questions, Mr. Chairman, just to thank the panel for being here. I appreciate everybody's testimony. You know, we hear the same sort of thing everywhere we go.

Chairman MILLER. Tragically so.

Mr. ROWLAND. Tragically so, that is right. And just again to express my appreciation, Mr. Chairman, for you and Congressman Coats and Congressman Levin for being here.

Chairman MILLER. Thank you. And my thanks again to you, as a panel, for sharing your information with us. I think Congressman Rowland quite correctly pointed out we hear many of these same things everywhere we go in the country and that is a tragedy. What it does suggest is for whatever reasons we have not quite joined all of those resources and the information and education necessary to stop some of these tragic incidents that take place in too many American families.

But thank you for your work and your help to the committee.

With that, the committee will stand adjourned. Again I want to thank Mercer Medical School for making this facility available, to the farm bureau who unbeknownst to others in this room, fed us on shifts here so we could sit through this hearing, and the chamber of commerce for their welcome to Macon this morning, and to Congressman Rowland, who so wisely directed our resources to Macon, GA.

Mr. COATS. George, one other vote of thanks, to our transcriber, who did not get up at all.

Chairman MILLER. Yes.

The committee stands adjourned.

[Whereupon, at 2:40 p.m., the committee was adjourned, subject to the call of the Chair.]

[Material submitted for inclusion in the record:]

PREPARED STATEMENT OF NANCY TRAVIS, DIRECTOR OF THE SOUTHERN STATES OFFICE OF SAVE THE CHILDREN

My name is Nancy Travis, and I am Director of the Southern States Office of Save the Children. Save the Children is an international agency working in 53 countries around the world. In this country, we have programs in Appalachia (where we had our origin in 1932), the Rural South, Inner City areas in New York City and Bridgeport, Connecticut and on many Indian Reservations. Because we are a community development agency, we respond to local needs as identified by community people. Most families prefer to be self-sufficient and to provide for themselves. Therefore, day care is very often the service sought by low income families. Good child care assures that the children will receive immunizations, nutritious meals, and early education as well as caring protection so that parents can be employed.

RECENT ACCOMPLISHMENTS OF THE SELECT COMMITTEE ON CHILDREN

We would like to commend the Select Committee on Children for recent achievements. The Block Grant to states to do resource and referral services, and school-age day care was passed. We are grateful that regulations for use of these funds are finally being developed.

We deeply appreciate the concern of Congressman Miller about the plight of day care centers and family day care homes in the current insurance crisis. It was just about a year ago that at Save the Children's Annual Family Day Care Conference that desperate family day care providers held a caucus and sent a letter to the committee. The problem is not totally solved, but the hearings held by the Select Committee were key in bringing the problem to public attention, and to the attention of States Insurance Commissioners.

A bill endorsed by the Select Committee was introduced that would have provided training monies for family day care. Although it did not pass it was recognition that family day care is a form of care that needs more support especially as it is the care of preference for infants and toddlers. A survey in Georgia of over two thousand providers indicated that 86% of those who responded cared for at least one child under two years.

CHILD CARE FOOD PROGRAM

The Child Care Food Program is critical for us in Georgia. We have 6000 registered family day care homes in the state which 1,350 who are on the Child Care Food Programs.

With fewer than 8,000 subsidized spaces statewide (fewer than 310 for infants) a large majority of the working poor use family day care and the food reimbursements allows providers to serve nutritious meals without increasing the cost to the parents and without cutting into the already inadequate fees collected from parents.

It is especially imperative that a means test is not implemented. Several aspects of the means test would destroy the program 1) Providers would be unwilling to ask income information from neighbors and many parents would not give it. As a result providers would drop out of CCFP depriving eligible children. 2) If only a few of the children were eligible the provider could not afford to serve meals that would meet U.S.D.A. regulations to all children and could not discriminate. Furthermore, the paper work would not be worth the effort for a few children. 3) The administrative costs to sponsors would be greatly increased and accountability would be impossible. The cost per home would be higher and the positive effect of scale would be lost when the number of homes decreased. 4) Without the Food Program, there would be few if any training opportunities. Even basic protection afforded children through licensing or registration would disappear as there would be no incentives for providers to come forward. Few day care licensing agencies have time to seek out family day care.

DAY CARE FUNDED BY SOCIAL SERVICE BLOCK GRANT

This is the year that we had hoped in Georgia to begin to change our delivery system of subsidized day care. We have contracted centers serving only eligible children (with a few exceptions). The 8,000 children served are in 86 of our 159 counties. Although we have a very high rate of adolescent pregnancy, we have fewer than 310 infant slots. No school-age children are served. No centers are open evenings and weekends. There are two rural family day care networks that are exceptions. They do serve infants and they provide evening and weekend care. Previous cuts coupled with the staff time required to figure out the cuts required by the Gramm-Rudman-Hollings bill have limited the possibilities of making the system more equitable geographically and hopefully more economical while still providing good care. Contractors providing the care under the present system have no information about funding levels or conditions after June 30, 1986.

DAY CARE FOR EMPOLYABILITY PROGRAMS

Employability Programs such as JTPA and WIN need to have better provisions for child care for a longer period of time to allow participants to become better established in the work force. A single head of the household cannot immediately earn enough to take on day care costs and medical expenses.

DAY CARE SERVICES PROVIDED THRU COOPERATIVE EXTENSION

We want to advocate for restraint in cuts to Cooperative Extension. In this state they are a great help to family day care in nutrition and child development. They also organize badly needed training for day care centers.

WHAT ABOUT THE FUTURE?

As child care advocates we appear at appropriate places to plead for restraint in making cuts in the Social Service Block Grant and other meager pieces of funding. However, we are losing ground. More and more children in families especially families headed by women, and especially minority families fall below the poverty line in the South. Even in these difficult times we must have some aggressive effort on all of our parts --advocates, human services agencies, and elected leadership to come up with some new plans for child care. This committee has taken positive steps in the past. Congressman Miller has shown empathy and courage in the face of apathy and lack of concern from colleagues. We need now to go back to the drawing board, combining new strategies with some of the old ones that have worked in the past. A balanced budget that sacrificies a generation of vulnerable children will not be a source of pride for this country. Employability or work-fare programs without child care will only add to the disillusionment of an already discouraged segment of our society.

Thank you very much for listening.

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